

When should I fill out a Listing Application?

Identification
Number 40

A Listing Application must be completed by all companies that wish to initially list on Nasdaq or by a company that is already listed on Nasdaq but wishes to transfer between the Nasdaq Global Market and the Nasdaq Capital Market. A listed company should also complete and submit a listing application if it wishes to list a secondary security on Nasdaq.

Publication Date*: 7/31/2012

Identification Number: 40

How do I update the application after it has been submitted?

Identification
Number 45

Once your application is submitted, you must submit any changes directly to your Listing Analyst. You can, however, submit additional documentation and update information contained in your Corporate Governance Certification and Listing Agreement at any time during the process. Once updated, you can re-submit these documents or upload any additional documents through the Listing Center.

If you have been sent a Supplemental Information Request Form by the analyst assigned to your application, additional documentation and responses should be submitted via this form.

Publication Date*: 5/15/2023

Identification Number: 45

How do I complete the information in the Board Member Information Band?

Identification
Number 48

Board Members. If Board member information appearing in this section has been pre-populated and is incorrect, you may change it. To *remove* members who are no longer on the Company's Board, simply select the "Remove" link next to the member's name. To *add* a Board member, you must first search our extensive database. The system will return a list of possible matches based on your search criteria. In addition to the person's full name, the system will also display their age and bio. This information is provided to help ensure you make the correct selection in the event that there are multiple people with the same or similar name. If after reviewing the search results list, you do not find the person you are looking for, you may add a new Board member record.

Committee Assignments. Please identify the committee assignment(s) for each Board member, as applicable.

Independent. Please identify those Board members which you believe are independent (i.e., satisfy Nasdaq's independence requirements as set forth in [Listing Rule 5605](#)).

Age. Age is not a required field. However, this information can greatly improve our ability to complete the regulatory review process as quickly as possible.

Refer to [Listing Rule 5600](#) for more information about Nasdaq's corporate governance requirements.

Publication Date*: 7/31/2012

Identification Number: 48

How do I complete the Issue-Specific information section of the application?

Identification
Number 47

Beneficial Shareholders. A beneficial owner is any individual shareholder.

Current Trading Symbol. The symbol under which the Company is currently trading.

CUSIP. The CUSIP Service Bureau can be reached at +1 212 438 6565.

If you do not have a CUSIP number yet you can enter 999999999 in this field.

Issue Class. This information is only required when the Company has issued multiple classes of a security (e.g., Class A and Class B Common Stock).

Issue Type. Select the issue type from the drop down list that best describes the security you are seeking to list. Generally, this will be Common Stock, Units or Warrants.

Reserved Trading Symbol. This is only required if the Company wants to use a new symbol once it trades on Nasdaq.

Round Lot Holders. A round lot holder is any shareholder who owns 100 or more unrestricted securities.

Timing of Unit Separation. If a Company has units please indicate to us the timing of their separation. If you know the exact date please provide the date. If you only know a time frame (e.g., 30 days after the offering), please provide an estimate.

When completing an application for bonds (non-convertible debt securities):

Coupon Frequency Per Annum. For example, enter 1 for annually, 2 for semi-annually, 4 for quarterly.

Dated Date. The date on which the bond first begins to accrue interest. This is often the same as the issue date, but not always.

First Ordinary Coupon Date. This is the original first ordinary coupon date, regardless of when the bond was issued or where it is currently trading. If the security is switching from another exchange, the first ordinary coupon date will be in the past.

Principal Amount Outstanding. In the case of a new issuance, provide the principal amount of the issuance. In the case of outstanding debt, provide the principal amount currently outstanding.

Reimbursement Date. Provide the last re-payment date. This is the date when investors will get the last coupon payment. It is generally the same as the Last Ordinary Coupon Date.

Please Note: If you have questions about filling out the issue specific information section for an ETF or Other Structured Products application, please contact Ben Haskell at +1 301 978 8092.

Publication Date*: 5/15/2023

Identification Number: 47

What documentation does a company need to submit with an application?

Identification
Number 333

In addition to a completed Listing Application, a company needs to submit a Listing Agreement, a Corporate Governance Certification Form and a Logo Submission Form, all of which are available electronically through the Listing Center. Prior to approval, Nasdaq may require additional information and supporting documentation. See the types of documents that need to be submitted for each application type [here](#). The only document required for original submission is the application itself and the application processing fee (\$25,000 for Global and Global Select Market applicants (other than SPACs) or \$5,000 for Capital Market applicants and SPACs).

Publication Date*: 5/15/2023

Identification Number: 333

How does a company reserve a symbol to trade on Nasdaq?

Identification
Number 486

A company may request a symbol for trading on the Nasdaq Stock Market by using our [online form](#).

Symbol reservations for all U.S. markets are governed by the National Market System Plan for the Selection and Reservation of Securities Symbols. Pursuant to that Plan, a company may request to reserve a symbol up to 24 months in advance of listing. If the

symbol is not used during the 24-month reservation period, it will be released and made available for other potential applicants. A company may then re-apply for a symbol reservation after the original reservation expires provided that no other company has reserved the symbol.

The Nasdaq Stock Market does not reserve symbols for the over-the-counter (OTC) market. Symbol reservations for the OTC market are managed by FINRA. Any inquiries regarding symbol reservation for the OTC market should be forwarded to otcsymbols@finra.org.

Publication Date*: 5/15/2023

Identification Number: 486

Does Nasdaq require companies to sign a Listing Agreement, and where is it located on the website?

Identification
Number 404

Nasdaq requires each company to sign a Listing Agreement prior to listing on Nasdaq. Listing Agreements may be completed electronically through the [Listing Center](#) along with your application.

Publication Date*: 7/31/2012

Identification Number: 404

Does Nasdaq offer a preliminary listing eligibility review for prospective applicants?

Identification
Number 328

Yes. A company can seek a preliminary listing eligibility review by Nasdaq's Listing Qualifications Department prior to applying. Pursuant to this review, the Listing Qualifications Staff will review the company's public filings to determine if it meets the numerical listing requirements. In addition, to the extent questions are raised by the company, the Listing Qualifications Staff will consider compliance with the corporate governance requirements of [Listing Rule 5600](#), such as board and board committee structure, and regulatory concerns, such as may be raised under [Listing Rule 5101](#) and [IM-5101-1](#). In considering whether any such questions exist, the company may find it helpful to review the information necessary to be submitted in response to the "Regulatory Proceedings/Litigation" section of the Listing Application. You may view the Listing Application and related forms using our [preview](#) function.

The Listing Qualifications Staff will, if necessary, meet with a prospective applicant to discuss any preliminary conclusions reached during this review. Once completed, Staff will determine whether it appears that the company satisfies Nasdaq's numerical initial inclusion criteria and whether any corporate governance or regulatory issues raised by the company would serve to prohibit Nasdaq from listing the company. Any final approval, however, will require the company to submit a formal listing application, and is conditioned upon final review of that application and the company's continued compliance with all Nasdaq criteria for initial listing at the time of listing. In addition, any final approval will require a satisfactory conclusion of certain additional qualitative reviews that Nasdaq will perform, including a review of the regulatory history of the company's officers, directors, and significant shareholders.

Companies interested in this preliminary review process should contact Jack Cassel, Vice President, New Listings via email at jack.cassel@nasdaq.com or by phone at +1 415 243 3201 (U.S. Listings) or Bob McCooey, Senior Vice President, New Listings and Capital Markets via email at bob.mccooey@nasdaq.com or by phone at +1 212 401 8724 (Non-U.S. Listings).

Publication Date*: 5/15/2023

Identification Number: 328

Can a company proceed with the submission of a listing application even if not all of the information requested in the application is available at the time?

Identification
Number 335

If a company does not have all the necessary information currently available, it may submit a substantially completed application provided that the remaining information follows in a timely manner.

Publication Date*: 7/31/2012

Identification Number: 335

In the case of a company that is planning an initial public offering, at what point in the IPO process should a Listing Application be submitted to Nasdaq?

Identification
Number 334

A Listing Application should be submitted at the same time that a company submits its registration statement to the SEC, even if the applicant is filing on a confidential basis. A company may also submit the Listing Application at an earlier time with draft registration material.

How are Listing Entry Fees assessed?

Identification
Number 1126

A company seeking to list on the Nasdaq Stock Market must pay an entry fee made up of two parts. A portion of the entry fee referred to as the application fee is due and payable at the time of application and is non-refundable. The balance of the entry fee is due immediately prior to listing.

Initial listing applications that have been pending for a period in excess of one year will be assessed an additional non-refundable application fee in the amount of \$5,000 on the anniversary of their application date for each year that their application remains open. Applicants will receive a credit in the amount of any and all application fees paid during the pendency of their application towards any entry fee eventually assessed upon listing.

Publication Date*: 5/15/2023

Identification Number: 1126

If a Listing Application is denied, may the company appeal Nasdaq's determination?

Identification
Number 349

If the Nasdaq Staff determines to deny a Listing Application, the company may appeal Nasdaq's determination to deny initial inclusion. See [Hearings FAQs](#) for additional information.

Publication Date*: 7/31/2012

Identification Number: 349

What is a Direct Listing?

Identification
Number 1527

The term Direct Listing refers to a private company listing on Nasdaq, or another exchange, without concurrently raising capital. Generally, companies list on a national securities exchange in connection with a capital raising transaction, such as an initial public offering. By contrast, a Direct Listing allows a company to list securities and begin trading without selling additional securities to public investors.

Publication Date*: 5/17/2018

Identification Number: 1527

Which application type should I select and, why does this matter?

Identification
Number 43

You should choose the application type that best describes your Company as this drives the questions that will be asked of you throughout the application process. A description of the different application types is as follows:

Company Conducting an Initial Public Offering, Direct Listing or Distribution Spinoff. Choose this option if your Company does not already file periodic and annual reports with the Securities and Exchange Commission and is not listed on another market. Alternatively, you should choose this option if you are a foreign Company performing an initial public offering of ADRs in the United States.

Seasoned Company, Uplisting One or More Securities from Another U.S. Market. Choose this option if your Company is already trading on another U.S. exchange or if you are traded on the over-the-counter market.

Seasoned Company Seeking to List Securities Already Trading on a Foreign Market without a Public Offering. Choose this option if your Company is currently listed on foreign market and not undertaking a public offering in conjunction with listing on Nasdaq.

Company switching from NYSE. Choose this option if your Company is currently listed on NYSE.

Company Seeking Dual Listing on Nasdaq and another U.S. Exchange. Choose this option if your Company is already listed on the New York Stock Exchange and would like to simultaneously list on Nasdaq.

Company Transferring from the Capital Market to the Global or Global Select Market. Choose this option if your Company is already listed on Nasdaq on the Capital Market and would like to switch to the Global or Global Select Market.

Company Transferring from the Global or Global Select Market to the Capital Market. Choose this option if your Company is already listed on Nasdaq on the Global or Global Select Market and would like to switch to the Capital Market.

Company Transferring from the Global Market to Global Select Market. Choose this option if your Company is already listed on Nasdaq on the Global Market and would like to switch to the Global Select Market.

Company Conducting a Change of Control Combination OR for SPACs completing a business combination following which the combined Company is required to meet the requirements for initial listing. Choose this option if your Company is merging with a Company that is already listed on Nasdaq.

NOTE: Listing applicants resulting from business combinations with SPACs wherein the Nasdaq-listed entity is acquired by a new SEC registrant are considered to be new listings. Such entities should NOT complete this application, but instead complete the Listing Application – For Seasoned Companies.

Company Seeking to List a New Class of Securities. Choose this option if your Company is already listed on Nasdaq and would like to list an additional class of equity or debt securities. Please do not use this type of application if you are seeking to list structured products (e.g., ETFs, ETNs, Trust Preferred issues).

Issuer Seeking to List Exchange Traded Funds (Rule 6c-11 ETFs). Choose this option if you would like to list an Exchange-Traded Fund that meets the requirements of SEC Rule 6c-11.

Company Seeking to List an Exchange Traded Fund or Other Structured Product. Choose this option if you would like to list any of the following:

- Index Fund Shares (non-6c-11 ETFs)
- Exchange-Traded Notes
- Managed Fund Shares (Active ETFs)
- Portfolio Depositary Receipts
- Selected Equity-Linked Debt Securities (SEEDS)
- Trust Issued Receipts
- Index-Linked Exchangeable Notes
- Equity Gold Shares
- Trust Certificates
- Commodity-Based Trust Shares
- Currency Trust Shares
- Commodity Index Trust Shares
- Commodity Futures Trust Shares
- Partnership Units
- Trust Units
- Managed Trust Securities
- Currency Warrants
- Index Warrants

Please contact Nasdaq Listing Qualifications at +1 301 978 8008 with questions about the listing of products not listed above.

Publication Date*: 5/15/2023

Identification Number: 43

Does Nasdaq require listed SPACs to have a full-time Chief Financial Officer?

Identification
Number 1812

A SPAC listing on Nasdaq must, at a minimum, have a principal accounting officer (or equivalent) who meets the Nasdaq's audit committee "financial sophistication" requirements found in Listing Rule 5605(c)(2)(A)(iv). To meet this requirement, the individual must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Publication Date*: 10/29/2021

Identification Number: 1812

Nasdaq Listing Rules have specific measures designed to help ensure that listed securities will attract market attention and develop sufficient public float, investor base, and trading interest to provide the depth and liquidity necessary to promote fair and orderly trading.

Recently, there have been instances of unusually high price spikes immediately following the pricing of certain initial public offerings (IPOs) on U.S. exchanges. In many instances, the IPO securities that are the subject of these extreme price spikes then experience price declines to a level at or below the offering price. The phenomenon, among many things, may be attributable to the lack of liquidity and/or supply in the opening trade, or in continuous trading on the day of, or days immediately following, the listing. As such, Nasdaq may ask additional questions about the allocation of shares in an IPO to help confirm that the underlying objective of these Listing Rules is satisfied.

Specifically, on a case-by-case basis, Nasdaq may request that companies and their underwriters provide an expected allocation list, describing the names and locations of investors anticipated to receive shares in the allocation, along with a representation as to whether there are any formal or informal policies that could prevent shares allocated to these accounts from being available to trade on the first day of trading. In addition, Nasdaq may ask the company to represent that the company and its affiliates are not parties to any scheme or arrangement through which shareholders and potential shareholders are being loaned or given money to purchase shares in the IPO, and that the company is not aware of any such arrangement even if not a party to it.

In cases where Nasdaq has requested these expected allocation lists, Nasdaq will also request information about the final allocation and account-level information about the recipient of shares within two business days following the company's listing.

In reviewing the information provided, and in determining whether to approve the listing and certify the Form 8-A, Nasdaq will consider the concentration of shareholding in the IPO, any restrictions the shares may be subject to on the first day of trading, geographic location of the accounts, and any regulatory concerns identified with any underwriter, syndicate or selling group member (including with respect to such entities' past representations to Nasdaq), or accounts' allocated shares.

Publication Date*: 8/1/2023

Identification Number: 1850

The Nasdaq Global Select Market is a tier of The Nasdaq Stock Market LLC, which has the highest initial listing standards of any stock market in the world. Companies listed on the Global Select Market must meet financial and liquidity requirements and satisfy corporate governance and disclosure requirements on both an initial and ongoing basis.

The same continued listing requirements apply to companies on the Nasdaq Global Select Market and the Nasdaq Global Market.

The Nasdaq Global Market, including the Nasdaq Global Select segment, is the successor to the Nasdaq National Market. As such, Nasdaq believes that all securities listed on the Nasdaq Global Market, including those on the Nasdaq Global Select Market, are "covered securities," as that term is defined in Section 18(b) of the Securities Act of 1933.

At any time, a company currently listed on the Nasdaq Global Market can submit a transfer application to move its securities to the Nasdaq Global Select. There are no application or entry fees associated with this application, which is available electronically through the [Listing Center](#).

For detailed information on Nasdaq listing standards see the [Initial Listing Guide](#) and the [Continued Listing Guide](#).

Publication Date*: 11/21/2013

Identification Number: 1081

Yes. As set forth in [Listing Rule 5101](#) and [IM-5101-1](#), in addition to applying the enumerated criteria set forth in Listing Rules [5200](#), [5300](#), [5400](#), [5500](#), [5600](#) and [5700](#), Nasdaq will exercise broad discretionary authority over the initial and continued inclusion of securities in Nasdaq in order to maintain the quality of and public confidence in its market.

Publication Date*: 5/15/2023

Identification Number: 415

Does Nasdaq list companies that use a contract-based structure, such as a variable interest entity ("VIE"), to operate some or all of its business(es)?

Identification
Number 1116

In certain markets, including China, there are restrictions on ownership of businesses in certain industries by foreign persons. To overcome these restrictions, a company may adopt a corporate structure, such as a VIE, whereby control of the operating company is obtained, not through ownership, but rather through a series of legal agreements between the operating company and the VIE company that is owned by public shareholders. There have been instances in the past where companies using this structure have lost control of their China-based operating companies to the detriment of public shareholders of the VIE entity.

There are no Listing Rules that prohibit listing companies that use such a structure. However, Listing Qualifications will review the disclosures and documents surrounding the company's corporate structure and agreements and may request additional information or impose additional requirements. In addition, an investor considering investing in such a company may want to consider the company's disclosures, including risk factors in its prospectus, and understand, among other things:

- The reasons why the company uses a VIE structure for its business(es);
- Whether the company has a plan to unwind or dissolve the VIE structure in the future, especially if restrictions on foreign ownership are eased or lifted;
- Whether there is a legally enforceable power of attorney or similar document that confers upon the company all legal rights of the VIE(s), including the right to all economic benefits and the ability to exercise control over the VIE's operations, assets and employees;
- Whether the company has obtained legal opinions from local counsel regarding, among other things: (i) the legality of the VIE structure under applicable law and regulations; (ii) the enforceability of the contractual arrangements that underlie the VIE structure; and (iii) whether the successors or assignees of the VIE's shareholder(s) are bound by and subject to the VIE contracts;
- Whether there are any government or regulatory rulings relevant to the use and legality of the company's VIE structure(s) and whether there are any objections or concerns raised by governmental entities or regulatory authorities regarding the use of a VIE structure;
- Whether the company has obtained all necessary government and regulatory approvals to operate the VIE business(es); Whether the VIE structure allows the company to consolidate the financial results of the VIE(s) under applicable accounting principles;
- Whether any of the VIE shareholders are also officers, directors or employees of the company or any subsidiary and, if so, a description of any arrangements or structures to address conflicts of interest that may arise under such circumstances;
- Whether the company is required to and has the ability to repatriate revenues generated by, or amounts advanced to, the VIE business(es).

Publication Date*: 8/8/2014

Identification Number: 1116

What is the effect on the listing process of structuring a business combination of a Special Purpose Acquisition Company ("SPAC") with an operating business by creating a new Registrant rather than having the SPAC acquire the operating business?

Identification
Number 1416

Ordinarily a SPAC will acquire an operating business and, if there is any failure to demonstrate compliance with the initial listing requirements at that time, Nasdaq would initiate proceedings to delist the combined entity. That entity could appeal the delisting notice and may remain listed during the appeal process. If the entity demonstrates compliance with the initial listing requirements during the pendency of the appeal, the appeal generally would become moot and the combined entity would be allowed to remain listed.

However, Nasdaq has also observed that certain SPACs may structure their transaction where the target operating business acquires the SPAC or a new entity is formed to acquire both the SPAC and the target operating business. In these cases, the new entity will be a new Registrant with the SEC and will seek to initially list at the time of the business combination; the currently listed SPAC will cease to exist as a separate entity. Because a new entity is seeking listing and Nasdaq would be required to certify to the SEC that this entity meets all listing requirements before listing the entity, Nasdaq is unable to list the combined entity until it demonstrates compliance with all applicable initial listing requirements. As such, in these instances, the combined entity would not be listed after the business combination if it has not demonstrated compliance with all initial listing requirements, including the minimum round lot shareholders requirement.

It should be noted that in many instances SPACs completing business combinations have difficulty verifying the number of round lot shareholders in a timely manner given the challenges involved in determining shareholder numbers generally and the additional complications that result from the ability of SPAC shareholders to redeem their holdings for cash at the time of the business combination. Please see [FAQ #1415](#) which discusses how Nasdaq determines compliance with the minimum round lot shareholder

requirement for initial listing.

Publication Date*: 8/18/2017

Identification Number: 1416

What are the fees for listing on the Nasdaq Stock Market?

Identification
Number 1670

Please refer to the [Initial Listing Guide](#) for the current Entry and Annual Fee Schedule.

Publication Date*: 5/15/2023

Identification Number: 1670

Who can I contact if I have questions about Nasdaq's listing standards or forms that listed companies are required to submit?

Identification
Number 1142

For questions on listing requirements, including corporate governance requirements, and forms for listed companies, please contact Nasdaq's [Listing Qualifications Department](#), which is responsible for monitoring companies for compliance with the initial and continued listing requirements.

Representatives of listed companies can also log into the [Listing Center](#) to get contact information for their dedicated continued listing analyst.

Publication Date*: 1/26/2016

Identification Number: 1142

Are the first year's annual fees pro-rated?

Identification
Number 418

Yes. In the first year of listing, the company's annual fee will be pro-rated based on the month of listing.

Publication Date*: 2/8/2013

Identification Number: 418

What are the fees for a Nasdaq listed company to list a new class of securities?

Identification
Number 1057

There are no fees for companies listed on the Nasdaq Global or Global Select Markets, except for a non-refundable \$25,000 initial application fee.

For companies listed on the Nasdaq Capital Market, the company will owe application and entry fee, as set forth in [Listing Rule 5900 Series](#) and further detailed in our [Initial Listing Guide](#). The company should submit the application fee at the time of application. Shortly after listing, the company will be sent an invoice for the entry fee.

Entry fees for listing a new class of securities on the Capital Market are based on the total shares outstanding of the new security at the time of listing. However, the total amount of entry fees owed by a company for all classes of securities on the same fee schedule that are listed on the Capital Market is presently capped at \$75,000. If a company has previously paid entry fees up to the applicable fee cap, then only the application fee is charged for listing the new class of securities.

Publication Date*: 5/15/2023

Identification Number: 1057

How should a company refer to Nasdaq in SEC filings that ask for the name of the exchange where the company is, or will be, listed or registered?

Identification
Number 1055

Nasdaq's formal name, which should be included in SEC filings that ask for the name of the exchange where the company is, or will be, listed or registered, is The Nasdaq Stock Market LLC.

Publication Date*: 8/20/2012

Identification Number: 1055

Does Nasdaq list companies that operate in violation of law?

Identification
Number 1474

In determining whether to initially list a company or continue a company's listing when it changes its business activities, Nasdaq does not make subjective or value judgements about the business the company operates. However, Nasdaq cannot initially list or continue the listing of a company whose current or planned activities are in violation of U.S. federal law or the law in a jurisdiction where the company operates. In assessing the legality of a company's activity, Nasdaq largely relies on the risk factors and other disclosures made in the company's filings with the Securities and Exchange Commission, although Nasdaq may also request additional information from the company where necessary.

Publication Date*: 12/8/2017

Identification Number: 1474

How long does Nasdaq require a publicly traded company to trade following a reverse stock split intended to satisfy the initial listing bid price requirement?

Identification
Number 1828

A publicly traded company that is not listing in conjunction with an offering generally must close at or above the minimum bid price requirement for five consecutive days following the effectiveness of the reverse split before Nasdaq will determine that the company qualifies for listing. If the publicly traded company is conducting a public offering and the reverse split occurs in conjunction with the pricing of the offering, Nasdaq generally will determine whether the company qualifies for listing based on the final offering price.

Notwithstanding the above, where a company effects a large reverse stock split (for example, a reverse stock split with a ratio of 1-for-100 or greater), Nasdaq may require the company to close with a bid price above the minimum requirement for at least 10 consecutive trading days before determining that the company has satisfied the applicable bid price requirement.

Publication Date*: 3/30/2022

Identification Number: 1828

How does Nasdaq calculate the Market Value of Unrestricted Publicly Held Shares of a company offering units?

Identification
Number 1836

Nasdaq calculates a company's Market Value of Unrestricted Publicly Held Shares by multiplying the number Unrestricted Publicly Held Shares by the offering price of the common stock (or common stock equivalent) included in the units. For these purposes, Nasdaq attributes a value of \$.125 for each "plain vanilla" warrant that is at- or out-of-the-money included in the unit. For warrants that are in the money or contain price protection or any other structured provisions that increase the potential dilution in the transaction, Nasdaq will attribute a value to each warrant equal to, or greater than, the value determined based on the Black Scholes model.

For example, a unit is offered at \$5.00 per unit and is structured to include one share of common stock and one warrant exercisable for \$5.00. For purposes of calculating the Market Value of Unrestricted Publicly Held Shares, Nasdaq would multiply the number of Unrestricted Publicly Held Shares by \$4.875 (\$5.00-\$0.125). If this was a public offering for 3 million units, and there were no other Unrestricted Publicly Held Shares before the offering, then the offering size would be \$15 million but the company's Market Value of Unrestricted Publicly Held Shares would be \$14,625,000.

Publication Date*: 5/15/2023

Identification Number: 1836

When a company lists in connection with a public offering, how does Nasdaq measure compliance with initial listing requirements that are dependent on the price of the company's security?

Identification
Number 1849

To qualify a company listing pursuant to a public offering, Nasdaq relies on the information reported in the company's publicly filed registration statement. Specifically, Nasdaq will use the number of securities to be sold in the offering and the minimum of the offering price range disclosed in that registration statement to determine compliance with the applicable price-based initial listing standards, including the bid price requirement, the market value of listed securities, and the market value of publicly held shares. The amount raised for purposes of calculating the company's equity will be calculated in the same way.

For example, if the company is selling 1 million shares at a price range from \$14 to \$16, Nasdaq will use \$14 as the bid price and \$14 million as the total offering size when determining if the company qualifies for listing.

Sometimes amendments are made to a registration statement prior to listing that reduce the minimum offering price. In such cases, Nasdaq will recalculate the company's compliance based on the lower minimum offering price. Companies should consider whether they must also increase the number of shares offered in the amended registration statement, so that the registration statement demonstrates that the company satisfies all of the applicable initial listing requirements. Failure to do so could delay the company's listing until another amendment is filed.

For offerings including units, please refer to [FAQ 1836](#) for a description of how Nasdaq values the underlying components of the units for determining the minimum bid price for the primary equity security.

Publication Date*: 8/15/2022

Identification Number: 1849

Does Nasdaq consider a contractual disincentive to sell a security a "resale restriction" for purposes of Restricted Securities definition?

Identification
Number 1860

Nasdaq has observed that certain companies enter into agreements (sometimes referred to as a forward purchase agreements) in connection with their initial listing whereby the investor purchases shares prior to the company's initial listing on Nasdaq and the company commits to reimburse the investor for the purchase price at a future time (after the initial listing on Nasdaq) if the trading price of the security is below its purchase price. In such circumstances, the investor would suffer a loss from trading below certain thresholds, but would be able to recoup the purchase price by withholding from trading. These agreements take various forms, including different trigger prices and time frames, but in all cases provide an economic disincentive for the investor to sell the security in certain circumstances. While such agreements are not prohibited, Nasdaq, generally, would treat such economic resale disincentives as a resale restriction for purposes of determining whether the securities are Restricted Securities as defined in Rule 5005(a)(38).

Publication Date*: 2/8/2023

Identification Number: 1860

What does Nasdaq require from a company planning an IPO on The Nasdaq Capital Market to demonstrate that it complies with the minimum shareholder requirement?

Identification
Number 1732

In the case of a company seeking to list on The Nasdaq Capital Market in conjunction with an IPO, Nasdaq requires a written representation from the lead underwriter that the underwriter will undertake to distribute the company's securities in a manner to satisfy the minimum shareholder requirement upon completion of the proposed offering.

Specifically, the representation should state that the underwriter will undertake to place the securities sold in the offering with a sufficient number of holders so that the company will have at least 300 round lot shareholders (i.e., shareholders holding a minimum of 100 unrestricted securities) with at least 150 of those shareholders holding a minimum of \$2,500 worth of unrestricted securities.

Publication Date*: 5/15/2023

Identification Number: 1732

What types of non-convertible corporate bonds are listed on Nasdaq?

Identification
Number 1805

Traditional non-convertible corporate bonds, issued in denominations of \$1,000 or more and assigned a fixed income CUSIP by the CUSIP Bureau, are listed on the Nasdaq Bond Exchange pursuant to Nasdaq Rule 5702.

"Baby Bonds" are debt securities that are issued in smaller denominations than non-convertible corporate bonds (typically \$25) and assigned an equity CUSIP by the CUSIP Bureau. These securities trade "flat" (i.e., purchasers will not pay and sellers will not receive any accrued and unpaid interest on the bonds that is not included in the trading price), much like a preferred stock. Baby Bonds are listed on the Nasdaq Global Market pursuant to [Nasdaq Rule 5730](#). See [FAQ 1806](#) for more information.

If you have questions about listing bonds on Nasdaq, please contact the Listing Qualifications Department at (301) 978-8008.

Publication Date*: 3/25/2023

Identification Number: 1805

Does Nasdaq list and trade Baby Bonds?

Identification
Number 1806

Yes. "Baby Bonds" are debt securities that are issued in smaller denominations than non-convertible corporate bonds (typically \$25) and assigned an equity CUSIP by the CUSIP Bureau. These securities trade "flat" (i.e. purchasers will not pay and sellers will not receive any accrued and unpaid interest on the bonds that is not included in the trading price), much like a preferred stock. Baby Bonds are listed on the Nasdaq Global Market pursuant to [Nasdaq Rule 5730](#).

Under Rule 5730, the issuer of a Baby Bond must be listed on the Nasdaq Global Select Market, the Nasdaq Global Market or the New York Stock Exchange or be an affiliate of a company listed on the Nasdaq Global Select Market, the Nasdaq Global Market or the New

York Stock Exchange. In addition, the issuer must also meet heightened asset, net income, and equity tests and the Baby Bond must have a minimum aggregate market value or principal amount of at least \$4 million.

If you have questions about listing a Baby Bond on Nasdaq, please contact the Listing Qualifications Department at (301) 978-8008.

Publication Date*: 9/1/2021

Identification Number: 1806

What are the initial listing standards?

Identification
Number 327

Nasdaq has three marketplaces: the Nasdaq Global Select Market, the Nasdaq Global Market and the Nasdaq Capital Market. For detailed information on the listing standards for each marketplace, please see [Initial Listing Guide](#).

Publication Date*: 5/15/2023

Identification Number: 327

Is registration under the Securities Exchange Act of 1934 required before a security can be admitted to trading on the Nasdaq Stock Market?

Identification
Number 329

Yes. A security approved for listing by Nasdaq must be registered under Section 12(b) of the Securities Exchange Act of 1934 before it can be listed on the Nasdaq Stock Market. Exchange Act registration is required even though the applicant may have previously registered all or part of the securities under the Securities Act of 1933. A security which has already been registered under Section 12(g) of the Exchange Act, or has recently been the subject of a public offering registered under the Securities Act, can usually be registered under Section 12(b) by using SEC Form 8-A. If an applicant does not have a class of securities registered under the Exchange Act Section 12(g), filing of a SEC Form 10 may be required.

Publication Date*: 5/15/2023

Identification Number: 329

What happens if a company fails to meet all of the listing requirements?

Identification
Number 339

Nasdaq will not approve an application if the security does not meet all of Nasdaq's initial listing requirements. However, the company may appeal an adverse determination and seek listing from a Listing Qualifications Hearings Panel. See [Hearings FAQs](#) for additional information.

Publication Date*: 5/15/2023

Identification Number: 339

When may a company that is formed by a Reverse Merger apply for a Nasdaq listing?

Identification
Number 348

A company that is formed by a Reverse Merger is eligible to submit an application for initial listing only if the combined entity has, immediately before filing the listing application: (i) traded for at least one year in the U.S. over-the-counter market, on another national securities exchange, or on a foreign regulated exchange, following the filing with the SEC or other Regulatory Authority of all required information about the transaction, including audited financial statements for the combined entity; and (ii) maintained a closing price of \$4 per share or higher for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days.

In addition, such a company may only be approved for listing if, at the time of approval, it has: (i) timely filed all required periodic financial reports with the SEC or other Regulatory Authority (Forms 10-Q or 10-K) for the prior year, including at least one annual report and (ii) maintained a closing price of \$4 per share or higher for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days prior to approval.

Publication Date*: 7/31/2012

Identification Number: 348

How does Listing Rule 5110(c), which pertains to reverse mergers, apply to companies that merge with a shell company that voluntarily files Exchange Act reports?

Identification
Number 1139

[Listing Rule 5110\(c\)](#) imposes additional listing criteria on issuers formed by a Reverse Merger. For these purposes, the term "Reverse Merger" is defined by [Listing Rule 5005\(a\)\(36\)](#) as a transaction whereby an operating company becomes an Exchange Act reporting company by combining with a shell company which is an Exchange Act reporting company. The additional listing criteria imposed by [Listing Rule 5110\(c\)](#) apply whether the shell was required to file Exchange Act reports or was doing so on a voluntary basis.

Are companies required to comply with all listing requirements at the time of listing?

Identification
Number 338

Companies must meet all listing requirements at the time of listing; however, consistent with the Securities and Exchange Act, a grace period of up to one year from the first trade date may be available to companies completing initial public offerings to secure their independent directors and/or to establish audit, compensation, and nominating committees, which meet Nasdaq's requirements.

Publication Date*: 5/15/2023

Identification Number: 338

Does Nasdaq require independent auditors to review company's financial statements?

Identification
Number 398

Each company listed on Nasdaq must be audited by an independent public accountant that is registered as a public accounting firm with the Public Company Accounting Oversight Board, as provided for in Section 102 of the Sarbanes-Oxley Act of 2002. In addition, under SEC rules, the auditor must review the company's quarterly periodic reports. See [Listing Rules 5210\(b\)](#) and [5250\(c\)\(3\)](#).

Publication Date*: 7/31/2012

Identification Number: 398

How does Nasdaq measure stockholders' equity when qualifying a company for initial listing on the Nasdaq Stock Market?

Identification
Number 340

To qualify a company for initial listing, Nasdaq uses the stockholders' equity number as reported on a company's most recent balance sheet. The company's financial statements must be: (i) prepared in accordance with U.S. GAAP; (ii) reconciled to U.S. GAAP; or (iii) prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, for companies that are permitted to file financial statements using those standards with the SEC. Nasdaq reserves the right to make adjustments to estimate stockholders' equity at the time of listing. For example, if a company has previously reported net losses, a burn rate may be calculated with the aid of historically published income statements and applied to estimate a company's stockholders' equity at the time of listing.

Publication Date*: 7/31/2012

Identification Number: 340

How does Nasdaq measure compliance with the initial listing price requirement when a company lists pursuant to an initial public offering?

Identification
Number 342

An issuer listing on the Nasdaq Stock Market pursuant to an initial public offering satisfies the price requirement if its offering is priced at or above the required price.

Publication Date*: 7/31/2012

Identification Number: 342

How does Nasdaq measure compliance with the initial listing price requirement for a seasoned company?

Identification
Number 343

A company that is already trading on another market must meet the applicable minimum price requirement and, if the company is traded in the over-the-counter market the average daily trading volume requirement, on the date Nasdaq approves their listing application and is expected to list promptly thereafter.

For a company traded on a non-listed market, promptly generally means within five business days of approval. If the company is listed on another exchange, promptly generally means within fifteen business days of approval, to allow for the additional time required to effect the transfer from the other market.

In either case, if the company's security qualifies under the alternative price listing standard with a bid price below \$4, the security must meet the applicable \$2 or \$3 closing price for five consecutive business days in order to qualify.

The minimum average daily trading volume requirement for a security traded on the over-the-counter market is a minimum average daily trading volume over the 30 trading days prior to listing on Nasdaq of at least 2,000 shares a day, with trading occurring on more than half

of those 30 days (i.e. at least 16 days).

Publication Date*: 7/31/2012

Identification Number: 343

How does Nasdaq determine closing price for purposes of Listing Rule 5505(a)(1)(B)?

Identification
Number 1021

For a company that qualifies to list with a price of \$2 or \$3 under [Listing Rule 5505\(a\)\(1\)\(B\)](#), the closing price is the Nasdaq Official Closing Price, if there is one, or the consolidated closing price distributed under the applicable National Market System Plan if there is no Nasdaq Official Closing Price. The security must maintain the necessary closing price for five consecutive business days, but Nasdaq may extend this five day period, based on any fact or circumstance, including the margin of compliance, the trading volume, the Market Maker montage, the trend of the security's price, or information or concerns raised by other regulators concerning the trading of the security.

Publication Date*: 7/31/2012

Identification Number: 1021

Does Nasdaq require listed companies to have a full-time Chief Financial Officer?

Identification
Number 1049

SEC rules and the Sarbanes-Oxley Act impose heightened obligation on the CFO of a public company, including the requirement to certify the company's periodic financial statements. Given the importance of this role and the complexities of the accounting rules and practices related to ongoing businesses operations, Nasdaq expects listed operating companies to employ a full-time CFO.

Publication Date*: 10/29/2021

Identification Number: 1049

Does Nasdaq review a company's past corporate governance activities upon an application to list on the Nasdaq Stock Market?

Identification
Number 346

When a company applies to list on Nasdaq and is currently traded on another exchange, or quoted in the over-the-counter market, Nasdaq will review the company's recent corporate governance activities. If the company is listed on another exchange, Nasdaq will request a representation from the company that it is in compliance with all of the corporate governance requirements of the exchange.

Publication Date*: 5/15/2023

Identification Number: 346

Are listed companies required to submit a certification of compliance with Nasdaq's corporate governance rules?

Identification
Number 400

Yes. As part of initial application process, each company completes a Corporate Governance Certification Form and submits this form along with its Listing Application. The form certifies the company's compliance with Nasdaq's requirements relating to the audit committee, the director nominating process, the determination of officer compensation, board composition, executive sessions, quorum and code of conduct. This form can be completed electronically after logging in to the [Listing Center](#).

Once listed, companies do not need to submit annual certifications, but must update the form if a change in the company's status results in the prior certification no longer being accurate. For example, if a company indicated on its certification that it was not subject to a requirement because it was a controlled company, that company must submit a new form if it ceases to be a controlled company. Similarly, a Foreign Private Issuer that relied on an exemption in its certification would have to file a new certification if the company ceased to be a Foreign Private Issuer. To submit an updated Certification Form once the Company is already listed, log in to the [Listing Center](#) and complete a Company Event Notification Form.

Publication Date*: 5/23/2013

Identification Number: 400

Does Nasdaq require its listed companies to adopt a Code of Conduct?

Identification
Number 99

Yes. Nasdaq listed companies are required to have a code of conduct that is applicable to all directors, officers and employees. The code of conduct must meet the definition of a "code of ethics" as set forth in Section 406(c) of the Sarbanes-Oxley Act of 2002. The code of

conduct must be publicly available. In addition, any waivers of the code for directors or executive officers must be approved by the board. Companies, other than Foreign Private Issuers, must disclose such waivers within four business days by filing a current report on Form 8-K with the Commission or, in cases where a Form 8-K is not required, by distributing a press release. Foreign Private Issuers must disclose such waivers either by distributing a press release or including disclosure in a Form 6-K or in the next Form 20-F or 40-F. Alternatively, a company, including a Foreign Private Issuer, may disclose waivers on the company's website in a manner that satisfies the requirements of Item 5.05(c) of Form 8-K.

Publication Date*: 5/15/2023

Identification Number: 99

How do the corporate governance requirements of Listing Rule 5600 apply to Foreign Issuers, including Foreign Private Issuers?

Identification
Number 156

Foreign Private Issuers: Nasdaq's corporate governance requirements generally apply to Foreign Private Issuers (as defined in [Listing Rule 5005](#)). However, [Listing Rule 5615\(a\)\(3\)](#) permits a Foreign Private Issuer to follow home country governance practices in lieu of certain Nasdaq requirements provided the company properly notifies Nasdaq and makes the required disclosure.

Foreign Issuers: Non-U.S. companies that are not Foreign Private Issuers are generally subject to all of Nasdaq's corporate governance requirements as set forth in the [Listing Rule 5600 Series](#). However, special rules may apply with respect to the quorum and voting rights requirements.

Publication Date*: 5/15/2023

Identification Number: 156

What are the requirements for a Nasdaq listed company to list a new class of securities?

Identification
Number 1058

Companies listed on Nasdaq must complete an application to list a new class of securities. The application can be made through [The Nasdaq Listing Center](#). Direct any questions about this to [Nasdaq Listing Qualifications](#).

Publication Date*: 8/20/2012

Identification Number: 1058

What steps should a Special Purpose Acquisition Company (SPAC) take when it determines to complete a business transaction?

Identification
Number 1695

When a SPAC determines to complete a business combination it must notify Nasdaq of its intention as provided for under Listing Rule IM-5101-2. This should be done by logging on to The Listing Center and completing and submitting the form entitled Listing Application - For Companies Conducting a Business Combination that Results in a Change of Control.

Please note that IM-5101-2 requires that following such a business combination the combined company must meet the requirements for initial listing. In response to your submission of the application, Nasdaq staff will conduct a review to determine if at the time of the closing of the business combination the Company will meet the initial listing requirements, including the required minimum number of round lot shareholders and the requirement that at least half of the required number of round lot shareholders hold at least \$2,500 worth of stock.

In the case of transaction where the SPAC acquires the target company, if the post-transaction company does not meet the requirements for initial listing following a business combination Nasdaq will issue a Staff Delisting Determination under Rule 5810 to delist the Company's securities. The Company can appeal this delisting determination to a Nasdaq Hearings Panel, which will stay the delisting until the Panel makes its decision.

Please see [FAQ 1416](#) regarding transactions where the target company acquires the SPAC and a new registrant is applying to list on Nasdaq.

Publication Date*: 5/15/2023

Identification Number: 1695

What does Nasdaq consider "Restricted Securities"?

Identification
Number 1706

Under Nasdaq Rule 5005(a)(37), "Restricted Securities" are securities that are subject to resale restrictions for any reason, including, but not limited to, securities: (1) acquired directly or indirectly from the issuer or an affiliate of the issuer in unregistered offerings such as private placements or Regulation D offerings; (2) acquired through an employee stock benefit plan or as compensation for professional services; (3) acquired in reliance on Regulation S, which cannot be resold within the United States; (4) subject to a lockup agreement or a similar contractual restriction; or (5) considered "restricted securities" under Rule 144.

Shares that are subject to an underwriters' lockup are Restricted Securities for purposes of this rule. In addition, any securities considered "restricted securities" under U.S. federal securities laws are Restricted Securities for purposes of Rule 5005(a)(37).

Publication Date*: 7/31/2019

Identification Number: 1706

Are securities issued through an employee stock benefit plan or as compensation for professional services considered "restricted securities?"

Identification
Number 1707

Nasdaq will consider securities issued through an employee stock benefit plan or as compensation for professional services to be "restricted securities" if such plan or compensation was established in accordance with Rule 701 of the Securities Act of 1933 and the securities issued are considered "restricted securities" thereunder, or if the securities are otherwise considered restricted securities under U.S. federal securities laws.

Publication Date*: 7/31/2019

Identification Number: 1707

How long are securities issued in a private placement prior to the company's IPO considered "Restricted Securities"?

Identification
Number 1708

Securities issued in a private placement would be considered restricted securities until all actions necessary to remove the restrictive legend have been taken. For example, in many cases, a company must provide its transfer agent with a legal opinion about the transferability of shares before the transfer agent will remove the restrictive legend from those shares. In such a case, the shares will be considered "Restricted Securities" until such an opinion is provided and the shares can be freely transferred.

Publication Date*: 7/31/2019

Identification Number: 1708

An issuer has convertible notes or preferred stock that will automatically convert into shares at the IPO. Would those shares be considered "Restricted Securities"?

Identification
Number 1709

Shares issuable upon the automatic conversion of a convertible security at the time of the company's IPO would not be considered "Restricted Securities" and therefore those shares would be included in the calculation of unrestricted public float, provided the shares issuable upon conversion are included on the issuer's registration statement or otherwise registered or exempt from registration, convert automatically upon the IPO with no further actions required by the holder or company, and are otherwise freely tradeable on the IPO day. If the securities contain a restrictive legend that requires any action by the holder or company to remove, or the securities will not be freely tradeable upon the IPO day for any reason, the securities would be considered "Restricted Securities" and excluded from the calculation of unrestricted public float.

Publication Date*: 7/31/2019

Identification Number: 1709

Are securities for which there is a registration statement effective and available for resale of the securities considered "Restricted Securities"?

Identification
Number 1710

Securities for which there is an effective resale registration statement may still be considered "Restricted Securities" if there are other actions that the company or investor must take before those shares are freely transferable. For example, if the company must provide an opinion of counsel to the transfer agent before the shares are transferable, then the shares would be considered "Restricted Securities" until such opinion is provided, notwithstanding the effective registration statement. However, if a company provides, and the transfer agent accepts, a blanket opinion permitting the resale of those securities in the future, and there are no other actions that the company or investor must take to remove the restrictive legend on the securities, Nasdaq would not consider the securities to be "Restricted Securities".

What does Nasdaq consider a "round lot holder"?

Identification
Number 1716

Under Nasdaq Rule 5005(a)(40), "Round Lot Holder" means a holder of a Normal Unit of Trading of Unrestricted Securities. The number of beneficial holders will be considered in addition to holders of record. Under Nasdaq Rule 5005(a)(39), "Round Lot" or "Normal Unit of Trading" means 100 shares of a security unless, with respect to a particular security, Nasdaq determines that a normal unit of trading shall constitute other than 100 shares.

Publication Date*: 5/15/2023

Identification Number: 1716

What percentage of a company's total round lot holders must hold unrestricted securities with a market value of at least \$2,500?

Identification
Number 1711

At least 50% of the minimum required number of round lot holders for the applicable market tier must each hold unrestricted securities with a market value of at least \$2,500. For example, if a company is seeking to list on the Nasdaq Global Market, it must have at least 400 unrestricted round lot holders, and at least 200 of those round lot holders must each hold unrestricted securities with a market value of at least \$2,500. If the company has 600 **unrestricted** round lot holders, and therefore exceeds the minimum of 400 **unrestricted** round lot holders, the same minimum requirement applies and at least 200 of those round lot holders must each hold unrestricted securities with a market value of at least \$2,500.

Publication Date*: 8/23/2019

Identification Number: 1711

Where are the necessary listing forms and instructions to list on Nasdaq?

Identification
Number 332

Listing applications and related forms are available electronically through the [Nasdaq Listing Center](#). Before completing your application electronically, please take a few minutes to review our [Initial Listing Guide](#). Generally, the company will need to complete the Listing Application, Listing Agreement, Corporate Governance Certification Form and Logo Submission Form. If you are unfamiliar with the contents of the Listing Application and related forms, we recommend that you [preview](#) the forms prior to logging into the Listing Center. This will help you gather all the information you will need to complete the forms. Questions regarding the listing process should be directed to Listing Qualifications Staff at +1 301 978 8008.

Publication Date*: 7/31/2012

Identification Number: 332

How does Nasdaq determine compliance with the minimum round lot shareholder requirement for initial listing?

Identification
Number 1415

Nasdaq requires at least 300 round lot holders for listing on the Nasdaq Capital Market, 400 round lot holders for listing on the Nasdaq Global Market, or 450 round lot holders for listing on the Nasdaq Global Select Market. A round lot holder must hold at least 100 unrestricted shares of the security. In addition, at least 50% of the company's required number of round lot holders (e.g., 150, 200 and 225 round lot holders for Nasdaq Capital Market, Nasdaq Global Market and Nasdaq Global Select Market, respectively) must each hold unrestricted securities with a market value of at least \$2,500. If it is not clear from a company's public disclosures that it satisfies these round lot shareholder requirements, Nasdaq will typically request from the issuer, and review, registered shareholder lists from the company's transfer agent, data from Cede & Co about shares held in street name, and data from other providers showing the number of account holders, such as a share range analysis from Broadridge or a list of beneficial holders through a broker/dealer search.

Nasdaq will aggregate information on these lists for accounts held by the same person to eliminate duplicates from the count, including individual and retirement accounts for the same person. Nasdaq may also aggregate accounts that appear to represent a single investment decision, such as separate accounts for an individual and his or her minor children. In general, Nasdaq will seek to ensure that each account represents a separate investment decision by a bona fide holder and, for this reason, would also exclude accounts that only hold shares that were given as gifts or for minimal consideration to the holder, especially if such gifts were made to allow the company to satisfy Nasdaq's listing requirements.

Given the nature of this review, determining compliance with the holder requirement can be a time consuming process. Companies are therefore encouraged to work proactively with staff to facilitate this review and begin the process as soon as possible to allow the company to demonstrate compliance on the schedule it wishes.

