Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2023 - * 025
Amendment No. (req. for Amendments *)

Filing by The Nasdaq Stock Market LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * Amendment * Withdrawal

Section 19(b)(2) * Section 19(b)(3)(A) * Section 19(b)(3)(B) *

Pilot Extension of Time Period for Commission Action * Date Expires *

Rule

19b-4(f)(1) 19b-4(f)(4)
19b-4(f)(2) 19b-4(f)(5)
19b-4(f)(3) 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

A proposal to establish listing standards related to notification and disclosure of reverse stock splits.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Amma Last Name * Anaman

Title * Associate General Counsel

E-mail * Amma.anaman@nasdaq.com

Telephone * (301) 978-8011 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, The Nasdaq Stock Market LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/21/2023 (Title *) EVP and Chief Legal Officer

By John Zecca (Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Date: 2023.07.21 15:17:08 -04'00'
The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3).

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission’s permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e., partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.
1. **Text of the Proposed Rule Change**

   (a) The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)\(^1\) and Rule 19b-4 thereunder,\(^2\) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to establish listing standards related to notification and disclosure of reverse stock splits.

   A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1. A proposed Company Event Notification Form is attached as Exhibit 3 and the text of the proposed rule change is attached as Exhibit 5.

   (b) Not applicable.

   (c) Not applicable.

2. **Procedures of the Self-Regulatory Organization**

   The proposed rule change was approved by the Board of Directors of the Exchange on March 27, 2023. No other action is necessary for the filing of the rule change.

   Questions and comments on the proposed rule change may be directed to:

   Amma Anaman  
   Associate General Counsel  
   (301) 978-8011

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

   a. **Purpose**

   Nasdaq has observed that the current market environment has led to an increase in reverse stock split activity. In 2022, Nasdaq processed 196 reverse stock splits, compared to 31 in 2021 and 94 in 2020. As of June 23, 2023, Nasdaq has processed 164 reverse stock splits, and projects significantly more throughout 2023. Reverse stock splits are often effected by smaller companies that do not have broad media or research coverage. In most cases, the companies are listed on the Capital Market tier and are conducting reverse stock splits to achieve compliance with Nasdaq’s $1 bid price requirement.³

   Nasdaq believes that the increase in companies effecting reverse stock splits warrants amendments to the listing rules to enhance the ability for market participants to accurately process these events, and thereby maintain fair and orderly markets. As such, Nasdaq is proposing amendments to its rules regarding notification and disclosure of reverse stock splits and regulatory halts.⁴ Specifically, Nasdaq is proposing to adopt additional listing rules requiring a company conducting a reverse stock split to notify Nasdaq about certain details of the reverse stock split at least five (5) business days (no later than 12:00 p.m. ET) prior to the anticipated market effective date, and make public

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³ Rule 5550(a)(2) specifies that a Company that has its Primary Equity Security listed on the Capital Market must have a minimum bid price of at least $1 per share. See also Rule 5450(a)(1) (Global and Global Select Markets). Companies are afforded a grace period pursuant to Rule 5810(c)(3)(A) to regain compliance.

⁴ Nasdaq intends to separately submit a rule filing to adopt a new regulatory halt specific to the pre-market trading and opening of a Nasdaq-listed security undergoing a reverse stock split.
disclosure about the reverse stock split at least two (2) business days (no later than 12:00 p.m. ET) prior to the anticipated market effective date.⁵

Currently, a reverse stock split is considered a “Substitution Listing Event” under Listing Rule 5005(a)(44).⁶ Listing Rule 5250(c)(4) requires a company to notify Nasdaq about any “Substitution Listing Event (other than a re-incorporation or a change to a Company’s place of organization) no later than 15 calendar days prior to the implementation of such event by filing the appropriate form as designated by Nasdaq.” Although there is no dedicated requirement for public disclosure of a reverse stock split under Nasdaq’s current rules, Listing Rule 5250(b)(1) requires the company to make “prompt disclosure” of “any material information that would reasonably be expected to affect the value of its securities or influence investors' decisions,” which includes reverse stock splits. While promptly is not defined, Nasdaq has published an FAQ clarifying that “[t]his disclosure should be disseminated prior to, or in conjunction with, the announcements that Corporate Data Operations will make on the day prior to the market effective date at approximately 1:00 p.m.”⁷

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⁵ For example, if a company desires to effect a reverse stock split with a market effective date of Monday, July 24, the company would have to provide Nasdaq with a draft of the disclosure required by proposed Rule 5250(b)(4) and a complete Company Event Notification Form by 12:00 p.m. ET on Monday, July 17, and provide the public disclosure by 12:00 p.m. ET by Thursday, July 20. Note that this example presumes that there are no holidays during these dates.

⁶ Listing Rule 5505(a)(44) states, in part, that a “Substitution Listing Event” means: a reverse stock split, re-incorporation or a change in the Company's place of organization, the formation of a holding company that replaces a listed Company, reclassification or exchange of a Company's listed shares for another security, the listing of a new class of securities in substitution for a previously-listed class of securities, a business combination described in IM-5101-2, a change in the obligor of a listed debt security, or any technical change whereby the Shareholders of the original Company receive a share-for-share interest in the new Company without any change in their equity position or rights.

Nasdaq proposes to delete the existing reference to a reverse stock split in Listing Rule 5005(a)(44) and adopt new provisions to set forth the timeframe and requirements for notification and disclosure related to reverse stock splits within its listing rules. Specifically, Nasdaq proposes to add new Listing Rules 5250(b)(4), 5250(e)(7) and IM-5250-3. Nasdaq also proposes to amend Listing Rule 5250(b)(1) to specify that a company should refer to Rule 5250(b)(4) and Rule 5250(e)(7) for the disclosure and notification requirements related to a reverse stock split and to clarify that existing times in that rule refer to Eastern Time.

Proposed Listing Rule 5250(b)(4) will specify that a company must provide public notice about a reverse stock split using a Regulation FD compliant method no later than 12:00 p.m. ET at least two (2) business days prior to the proposed market effective date. As is currently required under IM-5250-1, and as with other news, prior notice of this disclosure must be made to the MarketWatch Department through the electronic disclosure submission system available at https://www.nasdaq.net, except in emergency situations, when notification may instead be provided by telephone or facsimile.

Proposed Listing Rule 5250(b)(4) will also specify that the company shall provide notice of such disclosure to Nasdaq's MarketWatch Department at least ten minutes prior to public announcement if the public release of the material information is made between 7:00 a.m. to 8:00 p.m ET. If the public release of this information is made outside the...
hours of 7:00 a.m. to 8:00 p.m. ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET.

Proposed Listing Rule 5250(e)(7) will specify that, for a reverse stock split, the company must notify Nasdaq by submitting a complete Company Event Notification Form\(^9\) no later than 12:00 p.m. ET five (5) business days prior to the proposed market effective date.\(^10\) The submission must include all information required by the form and a draft of the disclosure required by proposed Rule 5250(b)(4).

Proposed IM-5250-3 repeats the requirements of proposed Rules 5250(b)(4) and (e)(7) to provide issuers and market participants with additional transparency by having all information related to the reverse split process in one location in the rulebook.

Where Nasdaq receives a timely and complete notification of a reverse stock split, which is also timely disclosed, as required by proposed Listing Rules 5250(b)(4) and 5250(e)(7), Nasdaq will process the reverse stock split for the identified market effective date.\(^11\) However, proposed Listing Rule 5250(e)(7) will specify that where Nasdaq does not receive a timely and complete notification\(^12\) or where the reverse stock split is not

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\(^9\) The text of this section of the proposed Company Event Notification Form is included as Exhibit 3 to Nasdaq’s rule filing submitted to the Commission on Form 19b-4, which includes information such as the split ratio; new CUSIP number; dates of board approval, shareholder approval, and DTC eligibility; and the effective date of the reverse stock split.

\(^10\) Nasdaq will review the form to determine whether the submission includes all information required by the form and a draft of the disclosure required by proposed Rule 5250(b)(4).

\(^11\) See note 4, supra. If that proposed rule filing is approved, then, as described in that rule filing, Nasdaq would halt the pre-market trading of the security in accordance with the procedure set forth in proposed Equity 4, Rule 4120A(c), and open the security for trading in accordance with the procedure set forth in proposed Equity 4, Rule 4120A(d).

\(^12\) See proposed Rule 5250(e)(7) requiring the company to “file a complete Company Event Notification Form” containing “all information required by the form....” Thus, for example, Nasdaq will not process a proposed reverse stock split if the Company Event Notification Form does not include the new CUSIP number or a split ratio if the press release contains a split ratio or market effective date that is inconsistent with the draft submission previously provided to Nasdaq.
timely and accurately disclosed, as required by proposed Listing Rule 5250(b)(4), Nasdaq will not process a reverse stock split until those requirements have been satisfied. If a company takes legal action, such as under state law or in any other manner, to effect a reverse stock split notwithstanding its failure to timely satisfy these requirements, or Nasdaq determines that the company has provided incomplete or inaccurate information about either the timing or ratio of the reverse stock split in the public disclosure required under proposed Rule 5250(e)(4), Nasdaq will halt the stock in accordance with the procedure set forth in Equity 4, Rule 4120(a)(1), which provides Nasdaq with the authority to halt trading to permit the dissemination of material news.

Nasdaq believes the proposed amendments will provide additional transparency and clarity to companies and market participants by specifying the notification and disclosure requirements related to reverse stock splits. The requirement for companies to submit a completed Company Event Notification Form no later than 12:00 p.m. ET five business days prior to the market effective date will help ensure that Nasdaq has timely and complete information to process the reverse stock split prior to the effective date, such as the split ratio; new CUSIP number; dates of board approval, shareholder approval, and DTC eligibility; and the effective date of the reverse stock split. Moreover, by shortening the deadline for the notification from 15 calendar days to five business days, Nasdaq believes that companies will be able to provide complete information in a single submission of the form, which they often cannot do today. For example, currently some companies may submit a form without CUSIP information, and then will email the CUSIP information to Nasdaq a few days later. Other companies may not yet have received confirmation of DTC eligibility, and receive it closer to the market effective date.
of the reverse stock split. Furthermore, where a company is conducting a reverse stock split to demonstrate compliance with the minimum $1 bid price requirement, a company may need to modify the ratio of the reverse stock split after providing initial notice due to changes in market conditions and the company’s stock price. As such, the shorter time frame will simplify a company’s ability to provide the information required by the form because all relevant information can be provided in one submission closer to the action date and thereby improve Nasdaq’s processing of the forms and reduce the possibility of errors resulting from multiple updates to the forms through various communication channels.\textsuperscript{13}

The requirement under proposed Rule 5250(e)(7) for companies to submit a draft of the Regulation FD disclosure required by proposed Rule 5250(b)(4) will help ensure that the information disseminated to the market by the company aligns with Nasdaq’s announcement, including the split ratio and market effective date. The requirement under proposed Rule 5250(b)(4) for a company to make public disclosure about a reverse stock split no later than 12:00 p.m. ET two business days prior to the market effective date will help ensure that sufficient notice is provided to market participants, thereby allowing them to process the event in their systems. Currently, the Nasdaq Trader website announcement and the company’s press release are published the day prior to the reverse split, and includes material information such as the CUSIP number and split ratio. If a market participant inadvertently misses the announcement, they may continue to accept orders at the pre-split price, rather than the post-split adjusted price, which could lead to

\textsuperscript{13} Nasdaq represents that the five business day timeframe still provides sufficient time for Nasdaq to process the notification.
volatility in the stock price and trading inaccurate share amounts. In connection with the proposed amendments, Nasdaq would publish an announcement through the Nasdaq Trader website one and two business days prior to the market effective date. Therefore, proposed Rule 5250(b)(4) would provide market participants with at least one additional business day to review the company’s public disclosure about the reverse stock split and update their systems. Accordingly, Nasdaq believes that the proposed rule changes will help maintain fair and orderly markets, protect investors and the public interest.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act, in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. Further, the Exchange believes that this proposal is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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14 For example, if a company conducts a 1-for-10 reverse stock split, and the pre-split price was $1, the post-split price should be approximately $10. However, if a market participant fails to update its systems, it could input orders to sell the security for $1, which could negatively impact the stock’s trading price and cause market confusion. This could also result in a broker selling more shares than customers held in their accounts, resulting in a temporary short position.

15 A company may publish a press release earlier than two business days prior to the market effective date of the reverse stock split. However, Nasdaq will only publish an announcement through the Nasdaq Trader website one and two business days prior to the reverse stock split. For example, if a company publishes a press release on Monday announcing a reverse stock split with a market effective date on Friday, Nasdaq will only publish an announcement through the Nasdaq Trader website on Wednesday and Thursday.


Nasdaq believes that shortening the current notification requirement from 15 days to five will allow companies to provide complete submissions, whereas the current 15-day requirement results in incomplete submissions that must be updated. As discussed in more detail above, this will simplify Nasdaq’s processing of the forms and reduce the possibility of errors resulting from these multiple updates through multiple communication mediums. Nasdaq also believes that the minimum two business day public notice will allow market participants to timely update their systems, which will help to reduce the risk that investors and brokers inadvertently miss the public announcement of the reverse split, and continue to make or accept trades at the pre-split price, as described above. Therefore, requiring additional notification and disclosure requirements for reverse stock splits will help to support fair and orderly trading, which will reduce trading volatility and potential price mistakes, thereby protecting investors and the public interest.

Nasdaq believes the proposal is not designed to permit unfair discrimination among companies because the proposal will apply to all companies instituting a reverse stock split. Any disclosure burden placed on these companies, as opposed to companies that are not effecting a reverse stock split, is reasonable and not unfairly discriminatory because reverse stock splits present unique potential risks to investors and market participants if they fail to adjust their quotes and orders or are not aware of the accurate split ratio. This creates the potential for substantial financial, operational, client, reputational and regulatory impacts should an error occur. Therefore, Nasdaq believes that it is not unfairly discriminatory to require greater transparency to investors through public disclosure containing material information, such as the company’s split ratio and
market effective date, thereby maintaining fair and orderly trading, protecting investors and promoting the public interest consistent with Section 6(b)(5) of the Act.

4. **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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed amendments would not impose any burden on competition, not necessary or appropriate in furtherance of the purposes of the Act, because the proposed listing standards will apply to all listed companies. Further, the Exchange believes the proposal will not impose a burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change is designed to protect investors and facilitate a fair and orderly market, which are both important purposes of the Act. To the extent that there is any impact on intermarket competition, it is incidental to these objectives. Moreover, other exchanges can adopt rules similar to the Exchange’s proposal if they believe the proposed disclosures would create a competitive advantage for Nasdaq.

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

   No written comments were either solicited or received.

6. **Extension of Time Period for Commission Action**

   The Exchange does not consent to an extension of the time period for Commission action.

7. **Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

   Not applicable.
8. **Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

   Not applicable.

9. **Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

   Not applicable.

10. **Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

    Not applicable.

11. **Exhibits**

    3. Company Event Notification Form.
    5. Text of the proposed rule change.
Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Proposed Rule Change to Establish Listing Standards Related to Notification And Disclosure of Reverse Stock Splits

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)

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

The Exchange proposes to establish listing standards related to notification and disclosure of reverse stock splits.


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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

Nasdaq has observed that the current market environment has led to an increase in reverse stock split activity. In 2022, Nasdaq processed 196 reverse stock splits, compared to 31 in 2021 and 94 in 2020. As of June 23, 2023, Nasdaq has processed 164 reverse stock splits, and projects significantly more throughout 2023. Reverse stock splits are often effected by smaller companies that do not have broad media or research coverage. In most cases, the companies are listed on the Capital Market tier and are conducting reverse stock splits to achieve compliance with Nasdaq’s $1 bid price requirement.3

Nasdaq believes that the increase in companies effecting reverse stock splits warrants amendments to the listing rules to enhance the ability for market participants to accurately process these events, and thereby maintain fair and orderly markets. As such, Nasdaq is proposing amendments to its rules regarding notification and disclosure of

3 Rule 5550(a)(2) specifies that a Company that has its Primary Equity Security listed on the Capital Market must have a minimum bid price of at least $1 per share. See also Rule 5450(a)(1) (Global and Global Select Markets). Companies are afforded a grace period pursuant to Rule 5810(c)(3)(A) to regain compliance.
reverse stock splits and regulatory halts. Specifically, Nasdaq is proposing to adopt additional listing rules requiring a company conducting a reverse stock split to notify Nasdaq about certain details of the reverse stock split at least five (5) business days (no later than 12:00 p.m. ET) prior to the anticipated market effective date, and make public disclosure about the reverse stock split at least two (2) business days (no later than 12:00 p.m. ET) prior to the anticipated market effective date.

Currently, a reverse stock split is considered a “Substitution Listing Event” under Listing Rule 5005(a)(44). Listing Rule 5250(c)(4) requires a company to notify Nasdaq about any “Substitution Listing Event (other than a re-incorporation or a change to a Company's place of organization) no later than 15 calendar days prior to the implementation of such event by filing the appropriate form as designated by Nasdaq.” Although there is no dedicated requirement for public disclosure of a reverse stock split under Nasdaq’s current rules, Listing Rule 5250(b)(1) requires the company to make “prompt disclosure” of “any material information that would reasonably be expected to affect the value of its securities or influence investors' decisions,” which includes reverse stock splits. While promptly is not defined, Nasdaq has published an FAQ clarifying that

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4 Nasdaq intends to separately submit a rule filing to adopt a new regulatory halt specific to the pre-market trading and opening of a Nasdaq-listed security undergoing a reverse stock split.

5 For example, if a company desires to effect a reverse stock split with a market effective date of Monday, July 24, the company would have to provide Nasdaq with a draft of the disclosure required by proposed Rule 5250(b)(4) and a complete Company Event Notification Form by 12:00 p.m. ET on Monday, July 17, and provide the public disclosure by 12:00 p.m. ET by Thursday, July 20. Note that this example presumes that there are no holidays during these dates.

6 Listing Rule 5505(a)(44) states, in part, that a “Substitution Listing Event” means: a reverse stock split, re-incorporation or a change in the Company's place of organization, the formation of a holding company that replaces a listed Company, recategorization or exchange of a Company's listed shares for another security, the listing of a new class of securities to substitute for a previously-listed class of securities, a business combination described in IM-5101-2, a change in the obligor of a listed debt security, or any technical change whereby the Shareholders of the original Company receive a share-for-share interest in the new Company without any change in their equity position or rights.
“[t]his disclosure should be disseminated prior to, or in conjunction with, the announcements that Corporate Data Operations will make on the day prior to the market effective date at approximately 1:00 p.m.”

Nasdaq proposes to delete the existing reference to a reverse stock split in Listing Rule 5005(a)(44) and adopt new provisions to set forth the timeframe and requirements for notification and disclosure related to reverse stock splits within its listing rules. Specifically, Nasdaq proposes to add new Listing Rules 5250(b)(4), 5250(e)(7) and IM-5250-3. Nasdaq also proposes to amend Listing Rule 5250(b)(1) to specify that a company should refer to Rule 5250(b)(4) and Rule 5250(e)(7) for the disclosure and notification requirements related to a reverse stock split and to clarify that existing times in that rule refer to Eastern Time.

Proposed Listing Rule 5250(b)(4) will specify that a company must provide public notice about a reverse stock split using a Regulation FD compliant method no later than 12:00 p.m. ET at least two (2) business days prior to the proposed market effective date. As is currently required under IM-5250-1, and as with other news, prior notice of this disclosure must be made to the MarketWatch Department through the electronic disclosure submission system available at https://www.nasdaq.net, except in emergency situations, when notification may instead be provided by telephone or facsimile.

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8 See IM-5250-1, which states that examples of an emergency situation include: lack of computer or internet access; technical problems on either the Company or Nasdaq system or an incompatibility between those systems; and a material development such that no draft disclosure document exists, but immediate notification to MarketWatch is important based on the material event.
Proposed Listing Rule 5250(b)(4) will also specify that the company shall provide notice of such disclosure to Nasdaq's MarketWatch Department at least ten minutes prior to public announcement if the public release of the material information is made between 7:00 a.m. to 8:00 p.m ET. If the public release of this information is made outside the hours of 7:00 a.m. to 8:00 p.m. ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET.

Proposed Listing Rule 5250(e)(7) will specify that, for a reverse stock split, the company must notify Nasdaq by submitting a complete Company Event Notification Form9 no later than 12:00 p.m. ET five (5) business days prior to the proposed market effective date.10 The submission must include all information required by the form and a draft of the disclosure required by proposed Rule 5250(b)(4).

Proposed IM-5250-3 repeats the requirements of proposed Rules 5250(b)(4) and (e)(7) to provide issuers and market participants with additional transparency by having all information related to the reverse split process in one location in the rulebook.

Where Nasdaq receives a timely and complete notification of a reverse stock split, which is also timely disclosed, as required by proposed Listing Rules 5250(b)(4) and 5250(e)(7), Nasdaq will process the reverse stock split for the identified market effective date.11 However, proposed Listing Rule 5250(e)(7) will specify that where Nasdaq does

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9 The text of this section of the proposed Company Event Notification Form is included as Exhibit 3 to Nasdaq’s rule filing submitted to the Commission on Form 19b-4, which includes information such as the split ratio; new CUSIP number; dates of board approval, shareholder approval, and DTC eligibility; and the effective date of the reverse stock split.

10 Nasdaq will review the form to determine whether the submission includes all information required by the form and a draft of the disclosure required by proposed Rule 5250(b)(4).

11 See note 4, supra. If that proposed rule filing is approved, then, as described in that rule filing, Nasdaq would halt the pre-market trading of the security in accordance with the procedure set forth in proposed Equity 4, Rule 4120A(c), and open the security for trading in accordance with the procedure set forth in proposed Equity 4, Rule 4120A(d).
not receive a timely and complete notification\textsuperscript{12} or where the reverse stock split is not
 timely and accurately disclosed, as required by proposed Listing Rule 5250(b)(4), Nasdaq
 will not process a reverse stock split until those requirements have been satisfied. If a
 company takes legal action, such as under state law or in any other manner, to effect a
 reverse stock split notwithstanding its failure to timely satisfy these requirements, or
 Nasdaq determines that the company has provided incomplete or inaccurate information
 about either the timing or ratio of the reverse stock split in the public disclosure required
 under proposed Rule 5250(e)(4), Nasdaq will halt the stock in accordance with the
 procedure set forth in Equity 4, Rule 4120(a)(1), which provides Nasdaq with the
 authority to halt trading to permit the dissemination of material news.

 Nasdaq believes the proposed amendments will provide additional transparency
 and clarity to companies and market participants by specifying the notification and
 disclosure requirements related to reverse stock splits. The requirement for companies to
 submit a completed Company Event Notification Form no later than 12:00 p.m. ET five
 business days prior to the market effective date will help ensure that Nasdaq has timely
 and complete information to process the reverse stock split prior to the effective date,
 such as the split ratio; new CUSIP number; dates of board approval, shareholder
 approval, and DTC eligibility; and the effective date of the reverse stock split. Moreover,
 by shortening the deadline for the notification from 15 calendar days to five business
 days, Nasdaq believes that companies will be able to provide complete information in a
 single submission of the form, which they often cannot do today. For example, currently

\textsuperscript{12} See proposed Rule 5250(e)(7) requiring the company to “file a complete Company Event
 Notification Form” containing “all information required by the form…. Thus, for example,
 Nasdaq will not process a proposed reverse stock split if the Company Event Notification Form
 does not include the new CUSIP number or a split ratio if the press release contains a split ratio or
 market effective date that is inconsistent with the draft submission previously provided to Nasdaq.
some companies may submit a form without CUSIP information, and then will email the CUSIP information to Nasdaq a few days later. Other companies may not yet have received confirmation of DTC eligibility, and receive it closer to the market effective date of the reverse stock split. Furthermore, where a company is conducting a reverse stock split to demonstrate compliance with the minimum $1 bid price requirement, a company may need to modify the ratio of the reverse stock split after providing initial notice due to changes in market conditions and the company’s stock price. As such, the shorter time frame will simplify a company’s ability to provide the information required by the form because all relevant information can be provided in one submission closer to the action date and thereby improve Nasdaq’s processing of the forms and reduce the possibility of errors resulting from multiple updates to the forms through various communication channels.\textsuperscript{13}

The requirement under proposed Rule 5250(e)(7) for companies to submit a draft of the Regulation FD disclosure required by proposed Rule 5250(b)(4) will help ensure that the information disseminated to the market by the company aligns with Nasdaq’s announcement, including the split ratio and market effective date. The requirement under proposed Rule 5250(b)(4) for a company to make public disclosure about a reverse stock split no later than 12:00 p.m. ET two business days prior to the market effective date will help ensure that sufficient notice is provided to market participants, thereby allowing them to process the event in their systems. Currently, the Nasdaq Trader website announcement and the company’s press release are published the day prior to the reverse split, and includes material information such as the CUSIP number and split ratio. If a

\textsuperscript{13} Nasdaq represents that the five business day timeframe still provides sufficient time for Nasdaq to process the notification.
market participant inadvertently misses the announcement, they may continue to accept orders at the pre-split price, rather than the post-split adjusted price, which could lead to volatility in the stock price and trading inaccurate share amounts. In connection with the proposed amendments, Nasdaq would publish an announcement through the Nasdaq Trader website one and two business days prior to the market effective date. Therefore, proposed Rule 5250(b)(4) would provide market participants with at least one additional business day to review the company’s public disclosure about the reverse stock split and update their systems. Accordingly, Nasdaq believes that the proposed rule changes will help maintain fair and orderly markets, protect investors and the public interest.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act, in general, and furthers the objectives of Section 6(b)(5) of the Act, in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. Further, the Exchange believes that this proposal is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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14 For example, if a company conducts a 1-for-10 reverse stock split, and the pre-split price was $1, the post-split price should be approximately $10. However, if a market participant fails to update its systems, it could input orders to sell the security for $1, which could negatively impact the stock’s trading price and cause market confusion. This could also result in a broker selling more shares than customers held in their accounts, resulting in a temporary short position.

15 A company may publish a press release earlier than two business days prior to the market effective date of the reverse stock split. However, Nasdaq will only publish an announcement through the Nasdaq Trader website one and two business days prior to the reverse stock split. For example, if a company publishes a press release on Monday announcing a reverse stock split with a market effective date on Friday, Nasdaq will only publish an announcement through the Nasdaq Trader website on Wednesday and Thursday.


Nasdaq believes that shortening the current notification requirement from 15 days to five will allow companies to provide complete submissions, whereas the current 15-day requirement results in incomplete submissions that must be updated. As discussed in more detail above, this will simplify Nasdaq’s processing of the forms and reduce the possibility of errors resulting from these multiple updates through multiple communication mediums. Nasdaq also believes that the minimum two business day public notice will allow market participants to timely update their systems, which will help to reduce the risk that investors and brokers inadvertently miss the public announcement of the reverse split, and continue to make or accept trades at the pre-split price, as described above. Therefore, requiring additional notification and disclosure requirements for reverse stock splits will help to support fair and orderly trading, which will reduce trading volatility and potential price mistakes, thereby protecting investors and the public interest.

Nasdaq believes the proposal is not designed to permit unfair discrimination among companies because the proposal will apply to all companies instituting a reverse stock split. Any disclosure burden placed on these companies, as opposed to companies that are not effecting a reverse stock split, is reasonable and not unfairly discriminatory because reverse stock splits present unique potential risks to investors and market participants if they fail to adjust their quotes and orders or are not aware of the accurate split ratio. This creates the potential for substantial financial, operational, client, reputational and regulatory impacts should an error occur. Therefore, Nasdaq believes that it is not unfairly discriminatory to require greater transparency to investors through public disclosure containing material information, such as the company’s split ratio and
market effective date, thereby maintaining fair and orderly trading, protecting investors and promoting the public interest consistent with Section 6(b)(5) of the Act.

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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed amendments would not impose any burden on competition, not necessary or appropriate in furtherance of the purposes of the Act, because the proposed listing standards will apply to all listed companies. Further, the Exchange believes the proposal will not impose a burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change is designed to protect investors and facilitate a fair and orderly market, which are both important purposes of the Act. To the extent that there is any impact on intermarket competition, it is incidental to these objectives. Moreover, other exchanges can adopt rules similar to the Exchange’s proposal if they believe the proposed disclosures would create a competitive advantage for Nasdaq.

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

No written comments were either solicited or received.

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

Within 45 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 shall: (a) by order approve or
disapprove 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
  (https://www.sec.gov/rules/sro.shtml); or

- Send an email to rule-comments@sec.gov. Please include file number
  SR-NASDAQ-2023-025 on the subject line.

Paper Comments:

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

All submissions should refer to file number SR-NASDAQ-2023-025. This file
number should be included on the subject line if email 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 website
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
website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NASDAQ-2023-025 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.18

Sherry R. Haywood,

Assistant Secretary.

Company Event Notification Form

Record Id: 1010760

Form Created By: testuser@nasdaq.com on 7/11/2023 2:31:51 PM ; Form Owned By: testuser@nasdaq.com

The user may elect to complete this online form all at once or in stages, entering and updating information over a period of time. The program will permit users to update the form and upload additional documents as long as the Form Status is “Open” (i.e., pending review by Nasdaq Staff). Questions concerning this form should be directed to Corporate Data Operations at 1 877 308 0523.

NOTE: A new CUSIP number is required for a reverse split. The new CUSIP number must be made eligible at The Depository Trust Company (DTC). The issuer or their transfer agent should reach out to DTC directly to ensure this is secured in a timely manner prior to anticipated market effective date.

GENERAL COMPANY INFORMATION

Company Name

Nasdaq, Inc.

Contacts

Please provide information for both a primary and an alternative contact for the purpose of processing this form. In addition, Nasdaq recommends that you share access to this form with at least one other company or legal representative by entering their email address on our Share Your Form page.

**Note that the system will immediately send an email to any contacts with whom you have shared this form, even if the form has not yet been submitted.

<table>
<thead>
<tr>
<th>Name *</th>
<th>Jane Doe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title/Firm</td>
<td>CEP</td>
</tr>
<tr>
<td>Phone *</td>
<td>555-555-5555</td>
</tr>
<tr>
<td>Email *</td>
<td><a href="mailto:janedoe@nasdaq.com">janedoe@nasdaq.com</a></td>
</tr>
<tr>
<td>Primary Contact *</td>
<td>✔</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional Contact *</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Smith</td>
</tr>
<tr>
<td>VP</td>
</tr>
<tr>
<td>555-555-7777</td>
</tr>
<tr>
<td><a href="mailto:johnsmith@nasdaq.com">johnsmith@nasdaq.com</a></td>
</tr>
</tbody>
</table>

Type of Change

The information required by the Exchange varies depending on the type of event being reported.

Is the Company reporting a change on this form in conjunction with a Listing Application for a Company Conducting a Business Combination that Results in a Change of Control? *

Yes  No

Multiple events may be reported in one form provided that the effective date for these changes is the same. With this in mind, select all events that apply:

- ✔ Section 1. Change in Company Name
- ✔ Section 2. Change in Trading Symbol, CUSIP, Security Type, Par Value and/or Underlying Index/Portfolio/Reference Asset
- ✔ Section 3. Change in Place of Incorporation or Organization
- ✔ Section 4. Reverse Split

The form and all supporting documentation must be received no later than 12:00 p.m. ET five business days prior to the proposed market effective date.

Please refer to Nasdaq Rule 5250(e)(7) regarding requirements for effecting a reverse split.

Reverse Split

A Company conducting a reverse split is required to notify Nasdaq of the reverse split no later than 12 p.m. ET at least five (5) business days prior to the proposed market effective date of the split, in accordance with Rule 5250(e)(7). The Company is also required to provide...
Nasdaq with a copy of their draft public disclosure within the same time frame. Further, the Company must provide, in accordance with Rule 5250(b)(4), public disclosure of the reverse split no later than 12 p.m. ET at least two (2) business days prior to the proposed market effective date of the reverse split, and notice of such disclosure to Nasdaq’s MarketWatch Department, at least 10 minutes prior to public announcement if the public release of the material information is made between 7:00 a.m. to 8:00 p.m. ET. If the public release of this information is made outside the hours of 7:00 a.m. to 8:00 p.m. ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET. The prior notice of this disclosure must be made to the MarketWatch Department through the electronic disclosure submission system available at www.nasdaq.net, except in emergency situations, as described in IM-5250-1, when notification may instead be provided by telephone or facsimile. Nasdaq will not process the reverse split until the above requirements have been satisfied, and will halt trading in the security of any issuer that effects a reverse split without meeting the requirements set forth in Rules 5250(b)(4) and (e)(7).

Issue Symbol: *

Issue Description: *

Current CUSIP: New CUSIP:

Is Board Approval Required to Effect this Reverse Split? Yes No

No Date of Board Approval (if applicable): 

Is Shareholder Approval Required to Effect this Reverse Split? Yes No

Date of Shareholder Approval (if applicable): 

Definitive Split Ratio Approved by Board/Shareholders: 

Method of Settling Fractional Shares: 

Date DTC Made New CUSIP Eligible: 

[Pre-Split] Current Shares Outstanding (TSO): 

Post Split [TSO (maximum)] Shares Outstanding (TSO): 

[Pre-Split] Current Par value: 

Is there a Par Value change associated with this Reverse Split? Yes No

Post Split Par Value (if applicable): 

Post Split Insider Holding Amount: 

Post Split number of publicly held shares: 

[Post-Split number of total/public shareholders:] 

Does the Reverse Split impact any other related securities that are publicly traded? Yes No

Please indicate below which other related securities will be impacted:

<table>
<thead>
<tr>
<th>ISSUE SYMBOL</th>
<th>ISSUE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Shares Outstanding (TSO):</td>
<td></td>
</tr>
<tr>
<td>Post Split Shares Outstanding (TSO):</td>
<td></td>
</tr>
<tr>
<td>Current Par Value:</td>
<td></td>
</tr>
</tbody>
</table>

Is there a Par Value change associated with this Reverse Split? Yes No

Post Split Par Value (if applicable): 

Post Split Insider Holding Amount: 

Post Split number of publicly held shares: 

Transfer Agent Contacts:

Firm Name: 

Contact Name/Title: 

Phone: 

Email: 

Page 27 of 32
Explain any conditions that must be met for the reverse split to be effective.

What is required to be filed to complete the split (amendment to articles of incorporation, etc)?

Is there a cash out associated with this reverse stock split? If yes, please explain below.

When will all legal filings be filed to effect the split (if applicable)?

DATE: ___/___/___

TIME: ___:___

TIME ZONE: ___

What is the expected market effective date of the Reverse Split (as of the opening of business)?

DATE: ___/___/___

When will the final details of the reverse split be disclosed via a Regulation FD compliant method?

DATE: ___/___/___

TIME: ___:___

TIME ZONE: ___

The following documents will need to be uploaded with the submission of this form:

Legal filings which will be filed to effect the reverse split (if applicable)

A copy of draft public disclosure

☐ Section 5. Other Type of Substitution Listing Event

☐ Section 6. Event Requiring an Updated Corporate Governance Certification or Listing Agreement

☐ Section 7. Annual ETP Certification

☐ Section 8. Quarterly ETP Data Uploads

☐ Section 9: Annual Certification for Exchange Traded Fund Shares

☐ Section 10. Board Diversity Disclosure

Comments

Please provide any explanatory comments that may help Staff process this form.

ATTACH SUPPORTING DOCUMENTS

To facilitate the review process, please provide the following information and attach any supporting documents electronically, as applicable. The Listing Center will allow you to provide this information and submit it to Nasdaq at any time during the process.

If the action resulted in the Company receiving a new SEC File Number, please provide.

If the action resulted in the Company receiving a new Central Index Key (CIK) code, please provide.

If a new CUSIP was not required in this instance, please provide confirmation that the Company has advised the CUSIP Bureau of this change and confirmed that a new CUSIP was not necessary. A confirmation is required for all changes, except trading symbol changes.

Uploading documents for submission is easy:

Select documents using the "Browse" button. To attach multiple documents, hold CTRL key while making the selection. Documents should be provided using one of the following formats: MS Word, MS Excel, JPEG or PDF.

No files attached

AFFIRMATION

User Id  testuser@nasdaq.com

Name  *

Title/Firm  *
I have been authorized by the Company and have the legal authority to provide information on the Company's behalf; to the best of my knowledge and belief, the information provided is true and correct as of this date; and I will promptly notify Nasdaq of any material changes. I understand that the Company has a continuing duty to update Nasdaq whenever there is an addition to or change in information previously furnished.

* Indicates a field required for submission.
Deleted text is [bracketed]. New text is underlined.

THE NASDAQ STOCK MARKET LLC RULES

* * * * *

5005. Definitions

(a) The following is a list of definitions used throughout the Nasdaq Listing Rules. This section also lists various terms together with references to other rules where they are specifically defined. Unless otherwise specified by the Rules, these terms shall have the meanings set forth below. Defined terms are capitalized throughout the Listing Rules.

(1) – (43) No change.

(44) "Substitution Listing Event" means: a [reverse stock split,] re-incorporation or a change in the Company's place of organization, the formation of a holding company that replaces a listed Company, reclassification or exchange of a Company's listed shares for another security, the listing of a new class of securities in substitution for a previously-listed class of securities, a business combination described in IM-5101-2, a change in the obligor of a listed debt security, or any technical change whereby the Shareholders of the original Company receive a share-for-share interest in the new Company without any change in their equity position or rights. A Substitution Listing Event also includes the replacement of, or any significant modification to, the index, portfolio or Reference Asset underlying a security listed under the Rule 5700 Series (including, but not limited to, a significant modification to the index methodology, a change in the index provider, or a change in control of the index provider).

(45) – (47) No change.

* * * * *

5250. Obligations for Companies Listed on The Nasdaq Stock Market

(a) No change.

(b) Obligation to Make Public Disclosure

(1) Disclosure of Material Information

Except in unusual circumstances, a Nasdaq-listed Company shall make prompt disclosure to the public through any Regulation FD compliant method (or combination of methods) of disclosure of any material information that would reasonably be expected to affect the value of its securities or influence investors' decisions. The Company shall, prior to the
release of the information, provide notice of such disclosure to Nasdaq's MarketWatch Department at least ten minutes prior to public announcement if the information involves any of the events set forth in IM-5250-1 and the public release of the material information is made between 7:00 a.m. to 8:00 p.m. ET. If the public release of the material information is made outside the hours of 7:00 a.m. to 8:00 p.m. ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET. As described in IM-5250-1, prior notice to the MarketWatch Department must be made through the electronic disclosure submission system available at www.nasdaq.net, except in emergency situations, when notification may instead be provided by telephone or facsimile. For disclosure and notification requirements related to reverse stock splits, please refer to subparagraph (4) below and Rule 5250(e)(7).

(2) - (3) No change.

(4) Disclosure of Reverse Stock Split

A Company must make disclosure to the public through any Regulation FD compliant method (or combination of methods) about a reverse stock split no later than 12:00 p.m. ET at least two (2) business days prior to the proposed market effective date. The Company shall, prior to the release of this information, provide notice of such disclosure to Nasdaq's MarketWatch Department, at least ten minutes prior to public announcement if the public release of the material information is made between 7:00 a.m. to 8:00 p.m. ET. If the public release of this information is made outside the hours of 7:00 a.m. to 8:00 p.m. ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET. The prior notice of this disclosure must be made to the MarketWatch Department through the electronic disclosure submission system available at www.nasdaq.net, except in emergency situations, as described in IM-5250-1, when notification may instead be provided by telephone or facsimile.

(c) – (d) No change.

(e) Nasdaq Notification Requirements

Various corporate events resulting in material changes will trigger the requirement for Companies to submit certain forms to Nasdaq as specified below.

All applicable forms can be found at
http://www.nasdaq.com/about/listing_information.stm#forms.

(1) - (6) No change.

(7) Reverse Stock Split

In the case of a reverse stock split, a Company must file a complete Company Event Notification Form no later than 12:00 p.m. ET five (5) business days prior to the proposed market effective date. The submission must include all information required by
the form and a draft of the disclosure required by Rule 5250(b)(4). Nasdaq will not process a reverse stock split unless the requirements set forth in this subparagraph (7) and Rule 5250(b)(4) have been timely satisfied. If a Company takes legal action to effect a reverse stock split notwithstanding its failure to timely satisfy these requirements, or provides incomplete or inaccurate information about the timing or ratio of the reverse stock split in its public disclosure, Nasdaq will halt the stock in accordance with the procedure set forth in Equity 4, Rule 4120(a)(1).

(f) No change.

**IM-5250-1. Disclosure of Material Information**

No change.

**IM-5250-2. Disclosure of Third Party Director and Nominee Compensation**

No change.

**IM-5250-3. Notification and Disclosure of Reverse Stock Splits**

A Company conducting a reverse stock split is required to notify Nasdaq of the reverse stock split no later than 12:00 p.m. ET at least five (5) business days prior to the proposed market effective date of the split, in accordance with Rule 5250(e)(7). The Company is also required to provide Nasdaq with a copy of their draft public disclosure within the same time frame. Further, the Company must provide, in accordance with Rule 5250(b)(4), public disclosure of the reverse split no later than 12 p.m. ET at least two (2) business days prior to the proposed market effective date of the reverse stock split, and notice of such disclosure to Nasdaq's MarketWatch Department, at least ten minutes prior to public announcement if the public release of the material information is made between 7:00 a.m. to 8:00 p.m ET. If the public release of this information is made outside the hours of 7:00 a.m. to 8:00 p.m ET, Nasdaq Companies must notify MarketWatch of the material information prior to 6:50 a.m. ET. The prior notice of this disclosure must be made to the MarketWatch Department through the electronic disclosure submission system available at www.nasdaq.net, except in emergency situations, as described in IM-5250-1, when notification may instead be provided by telephone or facsimile.

Nasdaq will not process the reverse split until the above requirements have been satisfied, and will halt trading in the security of any issuer that effects a reverse stock split without meeting the requirements set forth in Rules 5250(b)(4) and (e)(7).

* * * * *