

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 24

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

File No. \* SR 2025 - \* 068

Amendment No. (req. for Amendments \*) 1

Filing by The Nasdaq Stock Market LLC

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

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		
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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 \*).

[Redacted description area]

**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 \* [Redacted] Last Name \* [Redacted]

Title \* [Redacted]

E-mail \* [Redacted]

Telephone \* [Redacted] Fax [Redacted]

**Signature**

Pursuant to the requirements of the Securities Exchange 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 12/11/2025 (Title \*)

By John A. Zecca (Name \*) EVP and Chief Financial Officer

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: 2025.12.11 15:15:09 -05'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

**Form 19b-4 Information \***

Add Remove View

SR-NASDAQ-2025-068 A-1 19b-4.doc

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.

**Exhibit 1 - Notice of Proposed Rule Change \***

Add Remove View

SR-NASDAQ-2025-068 A-1 Exhibit 1.

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)

**Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies \***

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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)

**Exhibit 2- Notices, Written Comments, Transcripts, Other Communications**

Add Remove View

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.

Exhibit Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

Add Remove View

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.

Exhibit Sent As Paper Document

**Exhibit 4 - Marked Copies**

Add Remove View

SR-NASDAQ-2025-068 A-1 Exhibit 4.c

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.

**Exhibit 5 - Proposed Rule Text**

Add Remove View

SR-NASDAQ-2025-068 A-1 Exhibit 5.c

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 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

**Partial Amendment**

Add Remove View

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”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to modify certain initial listing requirements. This Amendment No. 1 supersedes the original filing in its entirety.

A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1. 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 (“Board”) on September 3, 2025. No other action is necessary for the filing of the rule change.



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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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

a. Purpose

Nasdaq is filing this amendment to SR-NASDAQ-2025-068<sup>3</sup> in order to: (i) remove from the Initial Proposal the proposed change to suspend from Nasdaq trading and immediately delist (rather than providing a compliance period) any company that becomes non-compliant with one or more of the listing requirements contained in Rule 5450 or Rule 5550 and that has a Market Value of Listed Securities of less than \$5 million;<sup>4</sup> and (ii) make minor technical changes to improve the structure, clarity and readability of this proposal. This amendment supersedes and replaces the Initial Proposal in its entirety.

Nasdaq is proposing to amend Listing Rules 5405(b)(1)(C) and 5505(b)(3)(C) to increase the minimum Market Value of Unrestricted Publicly Held Shares<sup>5</sup> (“MVUPHS”) requirement for

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<sup>3</sup> Securities Exchange Act Release No. 103982 (September 16, 2025), 90 FR 45280 (September 19, 2025) (the “Initial Proposal”).

<sup>4</sup> Two commenters suggested enhancements to this part of the Initial Proposal. See Letter from Katie Kolchin, CFA, Managing Director, Head of Equity & Options Market Structure, and Gerald O’Hara, Vice President & Assistant General Counsel, SIFMA (November 14, 2025), available at <https://www.sec.gov/comments/sr-nasdaq-2025-068/srnasdaq2025068.htm>; and Letter from Stephen John Berger, Managing Director, Global Head of Government and Regulatory Policy, Citadel Securities (December 3, 2025), available at <https://www.sec.gov/comments/sr-nasdaq-2025-068/srnasdaq2025068-681507-2100695.pdf>. Nasdaq is considering these proposed enhancements to the Initial Proposal and intends to resubmit a proposal to promptly suspend and delist companies that fail to meet minimum market value requirements.

<sup>5</sup> Listing Rule 5005(a)(23) defines Market Value as the consolidated closing bid price multiplied by the measure to be valued; Listing Rule 5005(a)(46) defines Unrestricted Publicly Held Shares as the Publicly Held Shares that are Unrestricted Securities; Listing Rule 5005(a)(35) defines Publicly Held Shares as shares not held directly or indirectly by an officer, director or any person who is the beneficial owner of more than 10 percent of the total shares outstanding; Listing Rule 5005(a)(47) defines Unrestricted Securities as securities that are not Restricted Securities; and Listing Rule 5005(a)(38) defines Restricted Securities as 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.

companies listing under the net income standard on the Nasdaq Global and Capital Markets, respectively, to \$15 million.

Nasdaq Listing Rules require a company to have a minimum Market Value of Unrestricted Publicly Held Shares. For initial listing on the Nasdaq Global Market, a company must have a minimum MVUPHS of \$8 million under the Income Standard, \$18 million under the Equity Standard, and \$20 million under either the Market Value or Total Assets/Total Revenue Standards.<sup>6</sup> For initial listing on the Nasdaq Capital Market, a company must have a minimum MVUPHS of \$5 million under the Net Income Standard, and \$15 million under either the Equity or Market Value of Listed Securities Standards.<sup>7</sup> Unrestricted Publicly Held Shares are shares that are not held by an officer, director or 10% shareholder of the company and which are not subject to resale restrictions of any kind.<sup>8</sup>

The MVUPHS standard is one of the core liquidity requirements within the Nasdaq listing rules. Like the other liquidity requirements, it is meant to ensure that there is sufficient liquidity to provide price discovery and support an efficient and orderly market for the company's securities. Nonetheless, Nasdaq has observed problems with the trading of smaller company listings more generally and proposes to increase the minimum MVUPHS to help address these concerns. For example, in November 2022, Nasdaq published an alert regarding unusual volatility and a broader discussion of Nasdaq's concerns and the role of underwriters as

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<sup>6</sup> See Listing Rules 5405(b)(1)(C), 5405(b)(2)(C), 5405(b)(3)(B), and 5405(b)(4)(B). In each case, for a company listing in connection with an initial public offering, including through the issuance of American Depositary Receipts, this requirement must be satisfied from the offering proceeds.

<sup>7</sup> See Listing Rules 5505(b)(1)(B), 5505(b)(2)(C), and 5505(b)(3)(C). In each case, for a company listing in connection with an initial public offering, including through the issuance of American Depositary Receipts, this requirement must be satisfied from the offering proceeds.

<sup>8</sup> See Listing Rules 5005(a)(46), 5005(a)(35), 5005(a)(47), and 5005(a)(38).

gatekeepers to the capital markets in connection with the trading of newly issued securities of certain small-cap companies.<sup>9</sup>

Nasdaq recently modified the liquidity requirements for initial listing such that shares registered for resale are no longer counted as Unrestricted Publicly Held Shares for purposes of determining MVUPHS.<sup>10</sup> As a result, a newly listing company listing in connection with an initial public offering must meet the MVUPHS based on shares being sold in the offering. When Nasdaq made this change, it did not increase any of the numeric requirements for MVUPHS under any of the listing standards.

Following this change, Nasdaq Staff has observed an increase in the number of companies applying for listing based on Nasdaq's net income requirement, which requires a lower MVUPHS than the other standards.<sup>11</sup> As noted above, Nasdaq Staff has observed problematic trading in companies with low public floats and liquidity, and Nasdaq is concerned that companies initially listing with just \$5 million or \$8 million MVUPHS on the Nasdaq Capital or Global Markets, respectively, may not trade in a manner supportive of price discovery. In particular, Nasdaq believes that the MVUPHS is an indicator of sufficient liquidity to help provide price discovery and reduce volatility, and no longer believes it is appropriate to require such a significantly lower liquidity threshold for companies simply because they have a

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<sup>9</sup> See <http://www.nasdaqtrader.com/MicroNews.aspx?id=ERA2022-9>. (“Recently, we have observed instances of unusually high price spikes immediately following the pricing of certain initial public offerings ... In many instances, the IPO securities that are the subject of these extreme price spikes then experience equally dramatic price declines to a level at or below the offering price.”).

<sup>10</sup> Securities Exchange Act Release No. 102622 (March 12, 2025), 90 FR 12608 (March 18, 2025) (SR-NASDAQ-2024-084).

<sup>11</sup> As noted above, companies listing under the net income standard on the Capital Market tier must have a minimum MVUPHS of \$5 million under the Net Income Standard, as opposed to \$15 million under the other standards. Prior to the new rule taking effect, less than one-third of companies listed under the net income standard. Since March 2025, when the change requiring companies to satisfy the MVUPHS requirement by proceeds of the initial public offering took effect, nearly three-quarters of companies listing on the Capital Market tier have listed under that standard.

minimum level of net income, as opposed to equity or market value. Following the adoption of this proposal, a company listing on any Nasdaq tier, under any listing standard, will have to satisfy the MVUPHS requirement of at least \$15 million.

Accordingly, Nasdaq is proposing to modify Listing Rule 5505(b)(3)(C) to increase the minimum MVUPHS for companies listing under the net income standard on the Nasdaq Capital Market from \$5 million to \$15 million to align this requirement across all of the listing standards on the Capital Market. In addition, to avoid having the standard on the Nasdaq Global Market be lower than that on the Capital Market, Nasdaq also proposes to modify Listing Rule 5405(b)(1)(C) to increase the minimum MVUPHS for companies listing under the net income standard on the Global Market from \$8 million to \$15 million. Nasdaq believes that these changes will help ensure that there is a sufficient initial pool of liquidity available to support liquid trading.

Nasdaq proposes to make the proposed rule change operative for companies listing 30 days after Commission approval.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>12</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>13</sup> 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. Specifically, Nasdaq believes that the proposal to modify Listing Rules 5405(b)(1)(C) and 5505(b)(3)(C) to increase the minimum MVUPHS for

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<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(5).

companies listing under the net income standard on the Nasdaq Global and Capital Markets, respectively, to \$15 million is designed to protect investors and the public interest and to remove impediments to and perfect the mechanism of a free and open market and a national market system because Nasdaq believes that the change will likely result in more orderly trading of affected companies upon initial listing and for continuous trading thereafter. As described above, the MVUPHS standard is one of the core liquidity requirements within the Nasdaq listing rules designed to ensure that there is sufficient liquidity to provide price discovery and support an efficient and orderly market for the company's securities. Based on Nasdaq's experience, companies listing under different standards that meet the \$15 million MVUPHS requirement are less likely to be subject to volatile trading than similarly situated companies that meet the current, lower requirement for companies listing under the net income standard. Nasdaq believes that these changes will help ensure that there is a sufficient initial pool of liquidity available to support liquid and orderly trading.

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. While Nasdaq does not believe there will be any impact on competition from the proposed change, any impact on competition that does arise will be necessary to better protect investors, in furtherance of a central purpose of the Act.

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

1. Notice of Proposed Rule Change for publication in the Federal Register.

5. Text of the proposed rule change.

**EXHIBIT 1****SECURITIES AND EXCHANGE COMMISSION****[Release No. 34- ; File No. SR-NASDAQ-2025-068]****Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Proposed Rule Change to Modify Certain Initial Listing Requirements**

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup>, and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 11, 2025, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to modify certain initial listing requirements.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings>, and at the principal office of the Exchange.

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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 is filing this amendment to SR-NASDAQ-2025-068<sup>3</sup> in order to: (i) remove from the Initial Proposal the proposed change to suspend from Nasdaq trading and immediately delist (rather than providing a compliance period) any company that becomes non-compliant with one or more of the listing requirements contained in Rule 5450 or Rule 5550 and that has a Market Value of Listed Securities of less than \$5 million;<sup>4</sup> and (ii) make minor technical changes to improve the structure, clarity and readability of this proposal. This amendment supersedes and replaces the Initial Proposal in its entirety.

Nasdaq is proposing to amend Listing Rules 5405(b)(1)(C) and 5505(b)(3)(C) to increase the minimum Market Value of Unrestricted Publicly Held Shares<sup>5</sup> (“MVUPHS”) requirement for

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<sup>5</sup> Listing Rule 5005(a)(23) defines Market Value as the consolidated closing bid price multiplied by the measure to be valued; Listing Rule 5005(a)(46) defines Unrestricted Publicly Held Shares as the Publicly Held Shares that are Unrestricted Securities; Listing Rule 5005(a)(35) defines Publicly Held Shares as shares not held directly or indirectly by an officer, director or any person who is the beneficial owner of more than 10 percent of the total shares outstanding; Listing Rule 5005(a)(47) defines Unrestricted Securities as securities that are not Restricted Securities; and Listing Rule 5005(a)(38) defines Restricted Securities as 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

companies listing under the net income standard on the Nasdaq Global and Capital Markets, respectively, to \$15 million.

Nasdaq Listing Rules require a company to have a minimum Market Value of Unrestricted Publicly Held Shares. For initial listing on the Nasdaq Global Market, a company must have a minimum MVUPHS of \$8 million under the Income Standard, \$18 million under the Equity Standard, and \$20 million under either the Market Value or Total Assets/Total Revenue Standards.<sup>6</sup> For initial listing on the Nasdaq Capital Market, a company must have a minimum MVUPHS of \$5 million under the Net Income Standard, and \$15 million under either the Equity or Market Value of Listed Securities Standards.<sup>7</sup> Unrestricted Publicly Held Shares are shares that are not held by an officer, director or 10% shareholder of the company and which are not subject to resale restrictions of any kind.<sup>8</sup>

The MVUPHS standard is one of the core liquidity requirements within the Nasdaq listing rules. Like the other liquidity requirements, it is meant to ensure that there is sufficient liquidity to provide price discovery and support an efficient and orderly market for the company's securities. Nonetheless, Nasdaq has observed problems with the trading of smaller company listings more generally and proposes to increase the minimum MVUPHS to help address these concerns. For example, in November 2022, Nasdaq published an alert regarding unusual volatility and a broader discussion of Nasdaq's concerns and the role of underwriters as

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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.

<sup>6</sup> See Listing Rules 5405(b)(1)(C), 5405(b)(2)(C), 5405(b)(3)(B), and 5405(b)(4)(B). In each case, for a company listing in connection with an initial public offering, including through the issuance of American Depositary Receipts, this requirement must be satisfied from the offering proceeds.

<sup>7</sup> See Listing Rules 5505(b)(1)(B), 5505(b)(2)(C), and 5505(b)(3)(C). In each case, for a company listing in connection with an initial public offering, including through the issuance of American Depositary Receipts, this requirement must be satisfied from the offering proceeds.

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gatekeepers to the capital markets in connection with the trading of newly issued securities of certain small-cap companies.<sup>9</sup>

Nasdaq recently modified the liquidity requirements for initial listing such that shares registered for resale are no longer counted as Unrestricted Publicly Held Shares for purposes of determining MVUPHS.<sup>10</sup> As a result, a newly listing company listing in connection with an initial public offering must meet the MVUPHS based on shares being sold in the offering. When Nasdaq made this change, it did not increase any of the numeric requirements for MVUPHS under any of the listing standards.

Following this change, Nasdaq Staff has observed an increase in the number of companies applying for listing based on Nasdaq's net income requirement, which requires a lower MVUPHS than the other standards.<sup>11</sup> As noted above, Nasdaq Staff has observed problematic trading in companies with low public floats and liquidity, and Nasdaq is concerned that companies initially listing with just \$5 million or \$8 million MVUPHS on the Nasdaq Capital or Global Markets, respectively, may not trade in a manner supportive of price discovery. In particular, Nasdaq believes that the MVUPHS is an indicator of sufficient liquidity to help provide price discovery and reduce volatility, and no longer believes it is appropriate to require such a significantly lower liquidity threshold for companies simply because they have a

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<sup>11</sup> As noted above, companies listing under the net income standard on the Capital Market tier must have a minimum MVUPHS of \$5 million under the Net Income Standard, as opposed to \$15 million under the other standards. Prior to the new rule taking effect, less than one-third of companies listed under the net income standard. Since March 2025, when the change requiring companies to satisfy the MVUPHS requirement by proceeds of the initial public offering took effect, nearly three-quarters of companies listing on the Capital Market tier have listed under that standard.

minimum level of net income, as opposed to equity or market value. Following the adoption of this proposal, a company listing on any Nasdaq tier, under any listing standard, will have to satisfy the MVUPHS requirement of at least \$15 million.

Accordingly, Nasdaq is proposing to modify Listing Rule 5505(b)(3)(C) to increase the minimum MVUPHS for companies listing under the net income standard on the Nasdaq Capital Market from \$5 million to \$15 million to align this requirement across all of the listing standards on the Capital Market. In addition, to avoid having the standard on the Nasdaq Global Market be lower than that on the Capital Market, Nasdaq also proposes to modify Listing Rule 5405(b)(1)(C) to increase the minimum MVUPHS for companies listing under the net income standard on the Global Market from \$8 million to \$15 million. Nasdaq believes that these changes will help ensure that there is a sufficient initial pool of liquidity available to support liquid trading.

Nasdaq proposes to make the proposed rule change operative for companies listing 30 days after Commission approval.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>12</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>13</sup> 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. Specifically, Nasdaq believes that the proposal to modify Listing Rules 5405(b)(1)(C) and 5505(b)(3)(C) to increase the minimum MVUPHS for

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<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(5).

companies listing under the net income standard on the Nasdaq Global and Capital Markets, respectively, to \$15 million is designed to protect investors and the public interest and to remove impediments to and perfect the mechanism of a free and open market and a national market system because Nasdaq believes that the change will likely result in more orderly trading of affected companies upon initial listing and for continuous trading thereafter. As described above, the MVUPHS standard is one of the core liquidity requirements within the Nasdaq listing rules designed to ensure that there is sufficient liquidity to provide price discovery and support an efficient and orderly market for the company's securities. Based on Nasdaq's experience, companies listing under different standards that meet the \$15 million MVUPHS requirement are less likely to be subject to volatile trading than similarly situated companies that meet the current, lower requirement for companies listing under the net income standard. Nasdaq believes that these changes will help ensure that there is a sufficient initial pool of liquidity available to support liquid and orderly trading.

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. While Nasdaq does not believe there will be any impact on competition from the proposed change, any impact on competition that does arise will be necessary to better protect investors, in furtherance of a central purpose of the Act.

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](mailto:rule-comments@sec.gov). Please include file number SR-NASDAQ-2025-068 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-2025-068. 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 (<https://www.sec.gov/rules/sro.shtml>).

Copies of the filing 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-2025-068 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.<sup>14</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>14</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 4**

## Changes to the Proposed Rule Text

Text is marked to show changes to proposed rule language in the original filing. Additions to original filing are double underlined; deletions from original filing are ~~stricken through~~.

**THE NASDAQ STOCK MARKET LLC RULES**

\* \* \* \* \*

**5405. Initial Listing Requirements and Standards for Primary Equity Securities**

A Company applying to list its Primary Equity Security on the Global Market shall meet all of the requirements set forth in Rule 5405(a) and at least one of the Standards in Rule 5405(b).

(a) No change.

**(b) Initial Listing Standards for Primary Equity Securities:****(1) Income Standard**

(A) – (B) No change.

(C) Market Value of Unrestricted Publicly Held Shares of at least ~~[\$8]~~\$15 million (for a Company listing in connection with an initial public offering, including through the issuance of American Depository Receipts, this requirement must be satisfied from the offering proceeds); and

(D) No change.

(2) – (4) No change.

\* \* \* \* \*

**5505. Initial Listing of Primary Equity Securities**

A Company applying to list its Primary Equity Security on the Capital Market must meet all of the requirements set forth in Rule 5505(a) and at least one of the Standards in Rule 5505(b).

(a) No change.

**(b) Initial Listing Standards for Primary Equity Securities:**

(1) – (2) No change.

**(3) Net Income Standard**

(A) – (B) No change.

(C) Market Value of Unrestricted Publicly Held Shares of at least [\$5]\$15 million (for a Company listing in connection with an initial public offering, including through the issuance of American Depository Receipts, this requirement must be satisfied from the offering proceeds).

\* \* \* \* \*

### **5810. Notification of Deficiency by the Listing Qualifications Department**

When the Listing Qualifications Department determines that a Company does not meet a listing standard set forth in the Rule 5000 Series, it will immediately notify the Company of the deficiency. As explained in more detail below, deficiency notifications are of four types:

- (1) Staff Delisting Determinations, which are notifications of deficiencies that, unless appealed, subject the Company to immediate suspension and delisting;
- (2) notifications of deficiencies for which a Company may submit a plan of compliance for staff review;
- (3) notifications of deficiencies for which a Company is entitled to an automatic cure or compliance period; and
- (4) Public Reprimand Letters, except such notification type is not available for unresolved deficiencies from the standards of Rules 5250(c) {Obligation to File Periodic Financial Reports}, 5615(a)(4)(D) {Partner Meetings of Limited Partnerships} and 5620(a) {Meetings of Shareholders}.

Notifications of deficiencies that allow for submission of a compliance plan or an automatic cure or compliance period may result, after review of the compliance plan or expiration of the cure or compliance period, in issuance of a Staff Delisting Determination or a Public Reprimand Letter.

(a) – (b) No change.

#### **IM-5810-1. Disclosure of Written Notice of Staff Determination – No change.**

##### **(c) Types of Deficiencies and Notifications**

The type of deficiency at issue determines whether the Company will be immediately suspended and delisted, or whether it may submit a compliance plan for review or is entitled to an automatic cure or compliance period before a Staff Delisting Determination is issued. In the case of a deficiency not specified below, Staff will issue the Company a Staff Delisting Determination or a Public Reprimand Letter.

## (1) Deficiencies that Immediately Result in a Staff Delisting Determination

Staff's notice will inform the Company that its securities are immediately subject to suspension and delisting when:

- a Company fails to timely solicit proxies;
- an Equity Investment Tracking Stock fails to comply with the additional continued listing requirements in Rule 5222(c) or a Staff Delisting Determination has been issued with respect to the security such Equity Investment Tracking Stock tracks;
- the common stock of the REIT in a Paired Share Unit listed under Rule 5226 becomes separately tradable from the common stock of the Parent;
- An issuer of non-convertible bonds listed on Nasdaq fails to meet its obligations on the non-convertible bonds, as set forth in Rule 5702(b)(2);
- a Subscription Receipt listed under Rule 5520 fails to comply with the continued listing requirements in Rule 5565 or a Staff Delisting Determination has been issued with respect to the security such Subscription Receipt is exchangeable for;
- a security fails to meet the continued listing requirement for minimum bid price and is not eligible to receive a compliance period as described under Rule 5810(c)(3)(A)(iii) or (iv);
- a security of a Company whose business plan is to complete one or more acquisitions, as described in Rule IM-5101-2, that : (i) fails to comply with one or more of the requirements set forth in Rule IM-5101-2, including, without limitation, a failure to complete one or more business combinations satisfying the requirements set forth in Rule IM-5101-2(b) within 36 months of the effectiveness of its IPO registration statement or a failure to meet the requirements for initial listing following a business combination as described in Rule IM-5101-2(d) and (e); or (ii) in the case of a Company that qualified for listing pursuant to the alternative initial listing requirements in Rule 5406 fails to meet the continued listing requirement in Rules 5452(a)(1) and (3); ~~for~~
- Staff has determined, under its discretionary authority in the Rule 5100 Series, that the Company's continued listing raises a public interest concern~~f.}; or~~
- ~~• a Company is non-compliant with one or more of the listing requirements contained in Rule 5450 or Rule 5550 and the Company's Market Value of Listed Securities has failed to maintain a value of at least \$5 million for a period of 10 consecutive business days.~~

## (2) Deficiencies for which a Company may Submit a Plan of Compliance for Staff Review

(A) Unless the Company is currently under review by an Adjudicatory Body for a Staff Delisting Determination, the Listing Qualifications Department may accept and review a plan to regain compliance when a Company is deficient with respect to one of the standards listed in

subsections (i) through (vi) below. In accordance with Rule 5810(c)(2)(C), plans provided pursuant to subsections (i) through (iv) and (vi) below must be provided generally within 45 calendar days, and in accordance with Rule 5810(c)(2)(F), plans provided pursuant to subsection (v) must be provided generally within 60 calendar days. If a Company's plan consists of transferring from the Nasdaq Global or Global Select Market to the Nasdaq Capital Market, the Company should submit its application and the applicable application fee at the same time as its plan to regain compliance.

(i) all quantitative deficiencies from standards that do not provide a compliance period; ~~provided that a Company shall not have an opportunity to present a plan if the Company's Market Value of Listed Securities has failed to maintain a value of at least \$5 million for a period of 10 consecutive business days;~~

(ii) – (vi) No change.

**IM-5810-2. Staff Review of Deficiencies** – No change.

(B) – (G) No change.

### **(3) Deficiencies for which the Rules Provide a Specified Cure or Compliance Period**

With respect to deficiencies related to the standards listed in (A) - (G) below, Staff's notification will inform the Company of the applicable cure or compliance period provided by these Rules and discussed below; ~~provided that a Company will not be entitled to such cure or compliance period if the Company's Market Value of Listed Securities has failed to maintain a value of at least \$5 million for a period of 10 consecutive business days.~~ If the Company does not regain compliance within the specified cure or compliance period, the Listing Qualifications Department will immediately issue a Staff Delisting Determination letter.

(A) – (H) No change.

(4) No change.

(d) No change.

\* \* \* \* \*

### **5815. Review of Staff Determinations by Hearings Panel**

When a Company receives a Staff Delisting Determination or a Public Reprimand Letter issued by the Listing Qualifications Department, or when its application for initial listing is denied, it may request in writing that the Hearings Panel review the matter in a written or an oral hearing. This section sets forth the procedures for requesting a hearing before a Hearings Panel, describes the Hearings Panel and the possible outcomes of a hearing, and sets forth Hearings Panel procedures.

#### **(a) Procedures for Requesting and Preparing for a Hearing**

**(1) Timely Request Stays Delisting**

(A) No change.

(B) Subject to the following limitations, a timely request for a hearing shall ordinarily stay the suspension and delisting action pending the issuance of a written Panel Decision.

(i) No change.

(ii) A timely request for a hearing will not stay the suspension of the securities from trading pending the issuance of a written Panel Decision when the Staff Delisting Determination is related to one of the following deficiencies:

a. – b. No change.

c. A Company whose business plan is to complete one or more acquisitions, as described in Rule IM-5101-2, which fails to meet (i) the continued listing requirement in Rules 5452(a)(1) and (3), for companies that listed pursuant to the alternative initial listing requirements in Rule 5406; (ii) the requirement set forth in Rule IM-5101-2(b) to complete one or more business combinations within 36 months of the effectiveness of its IPO registration statement; or (iii) the requirements for initial listing immediately following a business combination as required by Rule IM-5101-2; {or}

d. A Company afforded the second 180-day compliance period described in Rule 5810(c)(3)(A)(ii) that failed to regain compliance with the minimum bid price requirement during that period. Pursuant to Rule 5810(c)(3)(A), a Company achieves compliance with the minimum bid price requirement by meeting the applicable standard for a minimum of 10 consecutive business days, unless Staff exercises its discretion to extend this 10 day period as discussed in Rule 5810(c)(3)(H).~~}; or~~

~~e. A Company that received a Staff Delisting Determination notice due to non-compliance with one or more of the listing requirements contained in Rule 5450 or Rule 5550 and the Company's Market Value of Listed Securities has failed to maintain a value of at least \$5 million for a period of 10 consecutive business days.~~

In each case, the Company's securities will be immediately suspended and will remain suspended unless the Panel Decision issued after the hearing determines to reinstate the securities.

(2) – (6) No change.

(b) – (d) No change.

**EXHIBIT 5**

The text of the proposed rule change is detailed below; proposed new language is underlined and proposed deletions are in brackets.

**THE NASDAQ STOCK MARKET LLC RULES**

\* \* \* \* \*

**5405. Initial Listing Requirements and Standards for Primary Equity Securities**

A Company applying to list its Primary Equity Security on the Global Market shall meet all of the requirements set forth in Rule 5405(a) and at least one of the Standards in Rule 5405(b).

(a) No change.

**(b) Initial Listing Standards for Primary Equity Securities:****(1) Income Standard**

(A) – (B) No change.

(C) Market Value of Unrestricted Publicly Held Shares of at least [~~\$8~~]\$15 million (for a Company listing in connection with an initial public offering, including through the issuance of American Depository Receipts, this requirement must be satisfied from the offering proceeds); and

(D) No change.

(2) – (4) No change.

\* \* \* \* \*

**5505. Initial Listing of Primary Equity Securities**

A Company applying to list its Primary Equity Security on the Capital Market must meet all of the requirements set forth in Rule 5505(a) and at least one of the Standards in Rule 5505(b).

(a) No change.

**(b) Initial Listing Standards for Primary Equity Securities:**

(1) – (2) No change.

**(3) Net Income Standard**

(A) – (B) No change.

(C) Market Value of Unrestricted Publicly Held Shares of at least [~~\$5~~]\$15 million (for a Company listing in connection with an initial public offering, including through the issuance of American Depositary Receipts, this requirement must be satisfied from the offering proceeds).

\* \* \* \* \*