

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 2026 - \* 009

Amendment No. (req. for Amendments \*)

Filing by The Nasdaq Stock Market LLC

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

<b>Initial *</b> <input checked="" type="checkbox"/>	<b>Amendment *</b> <input type="checkbox"/>	<b>Withdrawal</b> <input type="checkbox"/>	<b>Section 19(b)(2) *</b> <input checked="" type="checkbox"/>	<b>Section 19(b)(3)(A) *</b> <input type="checkbox"/>	<b>Section 19(b)(3)(B) *</b> <input type="checkbox"/>
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<b>Pilot</b> <input type="checkbox"/>	<b>Extension of Time Period for Commission Action *</b> <input type="checkbox"/>	<b>Date Expires *</b> <input type="text"/>
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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)

**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 proposed rule change to provide Nasdaq with the authority to delist a security where the Commission has previously suspended trading and Nasdaq determines it appropriate and in the public interest to do so.

**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.



**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 02/20/2026

(Title \*)

By John Zecca

EVP and Chief Legal Officer

(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: 2026.02.20 16:42:52 -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 \***

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SR-NASDAQ-2026-009 19b-4.docx

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 \***

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SR-NASDAQ-2026-009 Exhibit 1.docx

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**

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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**

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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**

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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**

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SR-NASDAQ-2026-009 Exhibit 5.docx

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

**Partial Amendment**

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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 provide Nasdaq with the authority to delist a security where the Commission has previously suspended trading and Nasdaq determines it appropriate and in the public interest to do so.

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 February 6, 2026. No other action is necessary for the filing of the rule change.

[REDACTED]

[REDACTED]

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

a. Purpose

Nasdaq listing standards include continuing financial and liquidity requirements designed to help ensure that listed companies maintain sufficient public float, investor base, and trading interest to promote fair and orderly markets, while also allowing companies of all sizes to raise

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

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

capital. Notwithstanding these requirements, Nasdaq has recently observed problematic or unusual trading in certain listed companies, apparently effectuated through recommendations made to investors by unknown persons via social media to purchase, hold, and/or sell the securities. The Commission has expressed concern about this activity, and in some cases suspended trading in the securities, stating its belief that these recommendations appear to be designed to artificially inflate the price and volume of the securities and that the public interest and the protection of investors require a suspension of trading in the securities.<sup>3</sup>

Nasdaq does not currently have authority to delist the securities of a company based on this type of third-party misconduct<sup>4</sup> but believes that the ability for third parties to manipulate a security's price can indicate that the security does not have sufficient liquidity, and the issuing company does not have sufficient market interest, for listing to be appropriate. Nasdaq therefore proposes to adopt new IM-5101-4 to provide additional authority to exercise discretion to delist a company from Nasdaq based on the potential for one or more third parties to engage in misconduct impacting a company's securities where the SEC has implemented a temporary trading suspension.

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<sup>3</sup> See, e.g., Securities Exchange Act Releases 34-104112 (September 26, 2025) (Smart Digital Group, Limited), 34-104113 (September 26, 2025) (QMMM Holding Limited), 34-104163 (October 3, 2025) (Etoiles Capital Group Co., Ltd.), 34-104164 (October 3, 2025) (Platinum Analytics Cayman Limited), 34-104165 (October 3, 2025) (Pitanium Limited), 34-104166 (October 8, 2025) (Empro Group Inc.), 34-104167 (October 8, 2025) (NusaTrip Incorporated), 34-104168 (October 16, 2025) (Premium Catering (Holdings) Limited), 34-104169 (October 22, 2025) (Robot Consulting Co., Ltd.), 34-104176 (November 11, 2025) (Charming Medical Limited), 34-104180 (November 14, 2025) (MaxsMaking Inc.), 34-104317 (December 4, 2025) (Robot Consulting Co., Ltd.), 34-10461 (January 14, 2026) (JM Group Limited), 34-104763 (February 1, 2026) (TechCreate Group Ltd.) (collectively, the "Commission Suspension Orders").

<sup>4</sup> The SEC Suspension Orders generally appear to be based on activities of third parties, and there are no specific allegations in the Commission Suspension Orders against the companies, or persons associated with the companies, as being involved in the potentially manipulative trading activity. Nasdaq's listing requirements, which these companies satisfied both at the time of listing and on an ongoing basis, are based on the characteristics of the company itself and the securities it seeks to list. Likewise, Nasdaq Rule 5101, in conjunction with IM-5101-1, provides some discretion to delist a company that itself has engaged in misconduct or where an individual with a history of regulatory misconduct is associated with the company, however it does not allow denial of a listing based on the potential for one or more unaffiliated third parties to engage in misconduct impacting a company's securities.

A Commission suspension under Section 12(k) will be a pre-requisite for applying this authority. However, even though a Commission suspension is a pre-requisite, Nasdaq will exercise discretion on a case-by-case basis in determining whether to delist a specific company. In applying that discretion, Nasdaq will consider whether the listed securities may be susceptible to manipulation based on factors related to concerns Nasdaq and other regulators have identified with companies that previously were the subject of problematic or unusual trading, including considerations related to the company's advisors (including auditors, underwriters, law firms, brokers, clearing firms, or other professional service providers that are currently or have in the past worked for the company). These factors, which are based on the factors in Nasdaq Listing Rule IM-5101-3, include the following:

- where the company is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the company, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;
- whether a person or entity exercises substantial influence over the company and, if so, where that person or entity is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the person or entity, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;

- whether the public float, share distribution and trading patterns in the company's security raise concerns about adequate liquidity and potential concentration, including consideration of other explanations of any observed volatility or significant price moves;
- evidence of third-party social media activity or similar schemes designed to influence price and demand in the security;
- disclosure of material news by the company, and whether such disclosures adequately explain the trading activity;
- whether the company has recently issued securities and the terms of any such issuances, including the size of any discounts; whether such shares are subject to resale; and whether the company obtained shareholder approval for the share issuance (without regard to whether an exemption to Nasdaq's shareholder approval for the issuance was available);
- whether there are issues concerning the company's advisors (including auditors, underwriters, law firms, brokers, clearing firms, or other professional service providers), based on factors including, but not limited to, whether the advisor has been reviewed by applicable regulators and, if so, what were the results of those reviews;
  - if the company's advisor is a new entity, whether the advisor's principals were involved with other firms with a regulatory history;
- whether any of the company's advisors were involved in prior transactions where the securities became subject to a pattern of concerning or volatile trading;

- whether the company's management and Board has experience or familiarity with U.S. public company requirements, including regulatory and reporting requirements under Nasdaq rules and federal securities laws;
- whether there are any FINRA, SEC or other regulatory referrals related to the company or its advisors, or the trading of the company's securities, which can be included in the record of the matter and, if applicable, the results of those referrals;
- whether the company currently has, or recently has had, a going concern audit opinion and, if so, what is the company's plan to continue as a going concern;
- whether there are other factors that raise concerns about the integrity of the company's board, management, significant shareholders, or advisors; and
- any other material information, whether mitigating or concerning, provided by the company or otherwise available in the record of the matter.

Nasdaq Staff may use this authority even where the problematic or unusual trading appears to be driven by third parties with no known connection to the company, and even where Nasdaq Staff cannot determine whether the company or any associated individual was involved, if Nasdaq determines it is appropriate and in the public interest to do so. When Nasdaq determines to delist a security pursuant to this authority, Nasdaq Staff will issue a Staff Delisting Determination under Rule 5810(c)(1). A company can seek review of such a Staff Delisting Determination pursuant to Rule 5815.

When determining whether to apply this discretion, Nasdaq may request additional information from a company. Such information request can form the basis for a trading halt under Nasdaq Rule 4120(a)(5)(B).<sup>5</sup>

By having authority to exercise discretion in this manner, Nasdaq believes it can better address situations where a company satisfies Nasdaq's listing requirements, but there are nonetheless concerns about the trading in the company's securities, which Nasdaq believes indicates that the security is inappropriate for continued listing. Nasdaq may not have access to specific facts that would allow it to determine whether a company's securities are the subject of manipulation, including posts in private social media groups or information about problematic or unusual trading that takes place across other U.S. exchanges and off-exchange. However, these factors will help Nasdaq identify companies that exhibit characteristics that could make their securities susceptible to problematic or unusual trading and therefore inappropriate for continued listing due to the potential for investor harm if the company's securities were allowed to continue to trade and be listed.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>7</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, 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.

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<sup>5</sup> Rule 4120(a)(5)(B) provides that Nasdaq may halt trading in a security listed on Nasdaq when Nasdaq requests from the issuer information relating to the issuer's ability to meet Nasdaq listing qualification requirements, as set forth in the Listing Rule 5000 Series.

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

Further, the Exchange believes that this proposal is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes that the proposal furthers the objectives of Section 6(b)(7) of the Act<sup>8</sup> in that it would provide a fair procedure for denying listing on the Exchange.

The Commission has previously opined on the importance of meaningful listing standards for the protection of investors and the public interest.<sup>9</sup> In particular, the Commission has stated:

The development and enforcement of meaningful listing standards for an exchange is of critical importance to financial markets and the investing public. Among other things, such listing standards help ensure that exchange-listed companies will have sufficient public float, investor base, and trading interest to provide the depth and liquidity to promote fair and orderly markets.<sup>10</sup>

The proposed rule change will supplement Nasdaq's ability to respond quickly where the SEC has determined to implement a trading suspension under Section 12(k) and to initiate delisting proceedings where Nasdaq determines it is appropriate and in the public interest to do so. This authority would enhance Nasdaq's ability to maintain fair and orderly markets, protect investors from the risks associated with trading in securities that raise significant concerns, and ensure that Nasdaq's listing standards are applied in a manner consistent with investor protection and market integrity.

Further, while Nasdaq's use of this discretion may result in the delisting of some companies that otherwise meet the stated listing requirements from listing, such distinction between companies is not unfair because the affected companies will have exhibited trading

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<sup>8</sup> 15 U.S.C. 78f(b)(7).

<sup>9</sup> Securities Exchange Act Release No. 102622 (March 12, 2025), 90 FR 12608 (March 18, 2025) (approving SR-Nasdaq-2024-084 adopting initial listing liquidity requirements for companies applying to list or uplist on the Nasdaq Global Market or Nasdaq Capital Market).

<sup>10</sup> Id. at 12609.

patterns and other traits that demonstrate their increased susceptibility to manipulation.

Therefore, the proposed rule change is consistent with Section 6(b)(5) and the investor protection goals of the Act.

Nasdaq also believes that the proposed rule change is consistent with Section 6(b)(7) of the Act because issuers will continue to be afforded applicable procedural protections in connection with any delisting determination, including notice and an opportunity for review as provided under Nasdaq rules.

Accordingly, Nasdaq believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.

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's use of the proposed rule may result in the delisting of some companies that otherwise meet the stated listing requirements from listing, such distinction between companies is not unfair because the affected companies will have exhibited trading patterns and other traits that demonstrate their increased susceptibility to manipulation. Therefore, the proposed rule change is necessary and appropriate to protect investors, which is 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-2026-009]****Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing of Proposed Rule Change to Adopt Listing Rule IM-5101-4**

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 February 20, 2026, 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 adopt IM-5101-4, which will provide Nasdaq with the authority to delist a security where the Commission has previously suspended trading and Nasdaq determines it appropriate and in the public interest to do so.

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.

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

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

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 listing standards include continuing financial and liquidity requirements designed to help ensure that listed companies maintain sufficient public float, investor base, and trading interest to promote fair and orderly markets, while also allowing companies of all sizes to raise capital. Notwithstanding these requirements, Nasdaq has recently observed problematic or unusual trading in certain listed companies, apparently effectuated through recommendations made to investors by unknown persons via social media to purchase, hold, and/or sell the securities. The Commission has expressed concern about this activity, and in some cases suspended trading in the securities, stating its belief that these recommendations appear to be designed to artificially inflate the price and volume of the securities and that the public interest and the protection of investors require a suspension of trading in the securities.<sup>3</sup>

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<sup>3</sup> See, e.g., Securities Exchange Act Releases 34-104112 (September 26, 2025) (Smart Digital Group, Limited), 34-104113 (September 26, 2025) (QMMM Holding Limited), 34-104163 (October 3, 2025) (Etoiles Capital Group Co., Ltd.), 34-104164 (October 3, 2025) (Platinum Analytics Cayman Limited), 34-104165 (October 3, 2025) (Pitanium Limited), 34-104166 (October 8, 2025) (Empiro Group Inc.), 34-104167 (October 8, 2025) (NusaTrip Incorporated), 34-104168 (October 16, 2025) (Premium Catering (Holdings) Limited), 34-104169 (October 22, 2025) (Robot Consulting Co., Ltd.), 34-104176 (November 11, 2025) (Charming Medical Limited), 34-104180 (November 14, 2025) (MaxsMaking Inc.), 34-104317 (December 4, 2025) (Robot Consulting Co., Ltd.), 34-10461 (January 14, 2026) (JM Group Limited), 34-104763 (February 1, 2026) (TechCreate Group Ltd.) (collectively, the “Commission Suspension Orders”).

Nasdaq does not currently have authority to delist the securities of a company based on this type of third-party misconduct<sup>4</sup> but believes that the ability for third parties to manipulate a security's price can indicate that the security does not have sufficient liquidity, and the issuing company does not have sufficient market interest, for listing to be appropriate. Nasdaq therefore proposes to adopt new IM-5101-4 to provide additional authority to exercise discretion to delist a company from Nasdaq based on the potential for one or more third parties to engage in misconduct impacting a company's securities where the SEC has implemented a temporary trading suspension.

A Commission suspension under Section 12(k) will be a pre-requisite for applying this authority. However, even though a Commission suspension is a pre-requisite, Nasdaq will exercise discretion on a case-by-case basis in determining whether to delist a specific company. In applying that discretion, Nasdaq will consider whether the listed securities may be susceptible to manipulation based on factors related to concerns Nasdaq and other regulators have identified with companies that previously were the subject of problematic or unusual trading, including considerations related to the company's advisors (including auditors, underwriters, law firms, brokers, clearing firms, or other professional service providers that are currently or have in the past worked for the company). These factors, which are based on the factors in Nasdaq Listing Rule IM-5101-3, include the following:

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<sup>4</sup> The SEC Suspension Orders generally appear to be based on activities of third parties, and there are no specific allegations in the Commission Suspension Orders against the companies, or persons associated with the companies, as being involved in the potentially manipulative trading activity. Nasdaq's listing requirements, which these companies satisfied both at the time of listing and on an ongoing basis, are based on the characteristics of the company itself and the securities it seeks to list. Likewise, Nasdaq Rule 5101, in conjunction with IM-5101-1, provides some discretion to delist a company that itself has engaged in misconduct or where an individual with a history of regulatory misconduct is associated with the company, however it does not allow denial of a listing based on the potential for one or more unaffiliated third parties to engage in misconduct impacting a company's securities.

- where the company is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the company, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;
- whether a person or entity exercises substantial influence over the company and, if so, where that person or entity is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the person or entity, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;
- whether the public float, share distribution and trading patterns in the company's security raise concerns about adequate liquidity and potential concentration, including consideration of other explanations of any observed volatility or significant price moves;
- evidence of third-party social media activity or similar schemes designed to influence price and demand in the security;
- disclosure of material news by the company, and whether such disclosures adequately explain the trading activity;
- whether the company has recently issued securities and the terms of any such issuances, including the size of any discounts; whether such shares are subject to resale; and whether the company obtained shareholder approval for the share issuance (without

regard to whether an exemption to Nasdaq's shareholder approval for the issuance was available);

- whether there are issues concerning the company's advisors (including auditors, underwriters, law firms, brokers, clearing firms, or other professional service providers), based on factors including, but not limited to, whether the advisor has been reviewed by applicable regulators and, if so, what were the results of those reviews;
  - if the company's advisor is a new entity, whether the advisor's principals were involved with other firms with a regulatory history;
- whether any of the company's advisors were involved in prior transactions where the securities became subject to a pattern of concerning or volatile trading;
- whether the company's management and Board has experience or familiarity with U.S. public company requirements, including regulatory and reporting requirements under Nasdaq rules and federal securities laws;
- whether there are any FINRA, SEC or other regulatory referrals related to the company or its advisors, or the trading of the company's securities, which can be included in the record of the matter and, if applicable, the results of those referrals;
- whether the company currently has, or recently has had, a going concern audit opinion and, if so, what is the company's plan to continue as a going concern;
- whether there are other factors that raise concerns about the integrity of the company's board, management, significant shareholders, or advisors; and
- any other material information, whether mitigating or concerning, provided by the company or otherwise available in the record of the matter.

Nasdaq Staff may use this authority even where the problematic or unusual trading appears to be driven by third parties with no known connection to the company, and even where Nasdaq Staff cannot determine whether the company or any associated individual was involved, if Nasdaq determines it is appropriate and in the public interest to do so. When Nasdaq determines to delist a security pursuant to this authority, Nasdaq Staff will issue a Staff Delisting Determination under Rule 5810(c)(1). A company can seek review of such a Staff Delisting Determination pursuant to Rule 5815.

When determining whether to apply this discretion, Nasdaq may request additional information from a company. Such information request can form the basis for a trading halt under Nasdaq Rule 4120(a)(5)(B).<sup>5</sup>

By having authority to exercise discretion in this manner, Nasdaq believes it can better address situations where a company satisfies Nasdaq's listing requirements, but there are nonetheless concerns about the trading in the company's securities, which Nasdaq believes indicates that the security is inappropriate for continued listing. Nasdaq may not have access to specific facts that would allow it to determine whether a company's securities are the subject of manipulation, including posts in private social media groups or information about problematic or unusual trading that takes place across other U.S. exchanges and off-exchange. However, these factors will help Nasdaq identify companies that exhibit characteristics that could make their securities susceptible to problematic or unusual trading and therefore inappropriate for continued listing due to the potential for investor harm if the company's securities were allowed to continue to trade and be listed.

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<sup>5</sup> Rule 4120(a)(5)(B) provides that Nasdaq may halt trading in a security listed on Nasdaq when Nasdaq requests from the issuer information relating to the issuer's ability to meet Nasdaq listing qualification requirements, as set forth in the Listing Rule 5000 Series.

## 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>7</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, 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. The Exchange also believes that the proposal furthers the objectives of Section 6(b)(7) of the Act<sup>8</sup> in that it would provide a fair procedure for denying listing on the Exchange.

The Commission has previously opined on the importance of meaningful listing standards for the protection of investors and the public interest.<sup>9</sup> In particular, the Commission has stated:

The development and enforcement of meaningful listing standards for an exchange is of critical importance to financial markets and the investing public. Among other things, such listing standards help ensure that exchange-listed companies will have sufficient public float, investor base, and trading interest to provide the depth and liquidity to promote fair and orderly markets.<sup>10</sup>

The proposed rule change will supplement Nasdaq's ability to respond quickly where the SEC has determined to implement a trading suspension under Section 12(k) and to initiate delisting proceedings where Nasdaq determines it is appropriate and in the public interest to do

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<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> 15 U.S.C. 78f(b)(7).

<sup>9</sup> Securities Exchange Act Release No. 102622 (March 12, 2025), 90 FR 12608 (March 18, 2025) (approving SR-Nasdaq-2024-084 adopting initial listing liquidity requirements for companies applying to list or uplist on the Nasdaq Global Market or Nasdaq Capital Market).

<sup>10</sup> Id. at 12609.

so. This authority would enhance Nasdaq's ability to maintain fair and orderly markets, protect investors from the risks associated with trading in securities that raise significant concerns, and ensure that Nasdaq's listing standards are applied in a manner consistent with investor protection and market integrity.

Further, while Nasdaq's use of this discretion may result in the delisting of some companies that otherwise meet the stated listing requirements from listing, such distinction between companies is not unfair because the affected companies will have exhibited trading patterns and other traits that demonstrate their increased susceptibility to manipulation. Therefore, the proposed rule change is consistent with Section 6(b)(5) and the investor protection goals of the Act.

Nasdaq also believes that the proposed rule change is consistent with Section 6(b)(7) of the Act because issuers will continue to be afforded applicable procedural protections in connection with any delisting determination, including notice and an opportunity for review as provided under Nasdaq rules.

Accordingly, Nasdaq believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.

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's use of the proposed rule may result in the delisting of some companies that otherwise meet the stated listing requirements from listing, such distinction between companies is not unfair because the affected companies will have exhibited trading patterns and other traits that demonstrate their increased susceptibility to manipulation. Therefore, the proposed rule change is necessary and appropriate to protect investors, which is 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-2026-009 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-2026-009. 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-2026-009 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>11</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>11</sup> 17 CFR 200.30-3(a)(12).

**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**

\* \* \* \* \*

**5101.**

No change.

**IM-5101-1. Use of Discretionary Authority**

No change.

**IM-5101-2. Listing of Companies Whose Business Plan is to Complete One or More Acquisitions**

No change.

**IM-5101-3. Application of Discretion to Deny Initial Listing**

No change.

**IM-5101-4. Delisting in Connection with Trading Indicative of Potential Manipulation**

Where a security exhibits trading activity that is indicative of potential manipulation, and the Securities and Exchange Commission has implemented a temporary suspension of that security pursuant to Exchange Act Section 12(k), Nasdaq may exercise its authority under Rule 5101 to delist the security when it determines that doing so is necessary to protect investors. Nasdaq may do so even when the security and the Company that issued it otherwise satisfy all applicable listing requirements.

In making this determination, Nasdaq will consider all relevant facts and circumstances, including the following:

- where the Company is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the Company, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;
- whether a person or entity exercises substantial influence over the Company and, if so, where that person or entity is located, including the availability of legal remedies to U.S. shareholders in that jurisdiction, the existence of blocking statutes, data privacy laws and

other laws in foreign jurisdictions that may present challenges to regulators seeking to enforce rules against the person or entity, the ability of parties to conduct comprehensive due diligence in that jurisdiction, and the transparency of regulators in the jurisdiction;

- whether the public float, share distribution and trading patterns in the Company's security raise concerns about adequate liquidity and potential concentration, including consideration of other explanations of any observed volatility or significant price moves;
- evidence of third party social media activity or similar schemes designed to influence price and demand in the security;
- disclosure of material news by the Company, and whether such disclosures adequately explain the trading activity;
- whether the Company has recently issued securities and the terms of any such issuances, including the size of any discounts; whether such shares are subject to resale; and whether the company obtained shareholder approval for the share issuance (without regard to whether an exemption to Nasdaq's shareholder approval for the issuance was available);
- whether there are issues concerning the Company's advisors (including auditors, underwriters, law firms, brokers, clearing firms, or other professional service providers), based on factors including, but not limited to, whether the advisor has been reviewed by applicable regulators and, if so, what were the results of those reviews;
  - if the Company's advisor is a new entity, whether the advisor's principals were involved with other firms with a regulatory history;
- whether any of the Company's advisors were involved in prior transactions where the securities became subject to a pattern of concerning or volatile trading;
- whether the Company's management and Board has experience or familiarity with U.S. public company requirements, including regulatory and reporting requirements under Nasdaq rules and federal securities laws;
- whether there are any FINRA, SEC or other regulatory referrals related to the Company or its advisors, or the trading of the Company's securities, which can be included in the record of the matter and, if applicable, the results of those referrals;
- whether the Company currently has, or recently has had, a going concern audit opinion and, if so, what is the Company's plan to continue as a going concern;
- whether there are other factors that raise concerns about the integrity of the Company's board, management, significant shareholders, or advisors; and
- any other material information, whether mitigating or concerning, provided by the Company or otherwise available in the record of the matter.

Because such activity may occur when a security lacks sufficient public float, investor base, or trading interest to support the depth and liquidity necessary to maintain a fair and orderly market, Nasdaq may use this authority even where the potential manipulation appears to be driven by third parties with no known connection to the Company, and even where Nasdaq cannot determine whether the Company or any associated individual was involved. Nasdaq will

consider evidence provided by the Company that there is sufficient public float, investor base, or trading interest.

When Nasdaq determines to delist a security pursuant to this authority, Nasdaq Staff will issue a Staff Delisting Determination under Rule 5810(c)(1). A Company can seek review of such a Staff Delisting Determination pursuant to Rule 5815.

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