

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-95933; File No. SR-NASDAQ-2022-027)

September 27, 2022

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 2, to Modify Certain Pricing Limitations for Companies Listing in Connection with a Direct Listing with a Capital Raise

On March 21, 2022, The Nasdaq Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to allow companies to modify certain pricing limitations for companies listing in connection with a Direct Listing with a Capital Raise in which the company will sell shares itself in the opening auction on the first day of trading on Nasdaq. The proposed rule change was published for comment in the Federal Register on April 8, 2022.³ On May 19, 2022, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to either approve or disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵

¹ 15 U.S.C.78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 94592 (April 4, 2022), 87 FR 20905 (April 8, 2022) (“Notice”). Comments received on the proposal are available on the Commission’s website at: <https://www.sec.gov/comments/sr-nasdaq-2022-027/srnasdaq2022027.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 94947 (May 19, 2022), 87 FR 31915 (May 25, 2022). The Commission designated July 7, 2022, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

On May 23, 2022, the Exchange filed Amendment No. 1 to the proposed rule change, which superseded the proposed rule change as originally filed. Amendment No. 1 was published for comment in the Federal Register on June 2, 2022.⁶ On July 7, 2022, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule change.⁸ On September 15, 2022, the Exchange filed Amendment No. 2 to the proposed rule change, which superseded the original filings, as modified by Amendment No. 1, in its entirety.⁹

Section 19(b)(2) of the Act¹⁰ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of the filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the Federal Register on April 8, 2022.¹¹ The 180th day after publication of the Notice is October 5, 2022. The Commission is extending the time period for approving or disapproving the proposal for an additional 60 days.

⁶ See Securities Exchange Act Release No. 94989 (May 26, 2022), 87 FR 33558 (June 2, 2022).

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 95220 (July 7, 2022), 87 FR 41780 (July 13, 2022).

⁹ See Securities Exchange Act Release No. 95811 (September 16, 2022), 87 FR 57951 (September 22, 2022).

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ See Notice, supra Note 3.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, as modified by Amendment No. 2, along with the comments on the proposal. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹² designates December 4, 2022, as the date by which the Commission should either approve or disapprove the proposed rule change (File No. SR-NASDAQ-2022-027), as modified by Amendment No. 2.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

J. Matthew DeLesDernier,
Deputy Secretary.

¹² 15 U.S.C. 78s(b)(2).

¹³ 17 CFR 200.30-3(a)(57).