

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-83010; File No. SR-NASDAQ-2017-087)

April 6, 2018

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change to Modify the Listing Requirements Related to Special Purpose Acquisition Companies to Reduce Round Lot Holders on Nasdaq Capital Market for Initial Listing From 300 to 150 and Eliminate Public Holders for Continued Listing from 300 to Zero, Require \$5 Million in Net Tangible Assets for Initial and Continued Listing on Nasdaq Capital Market, and Impose a Deadline to Demonstrate Compliance with Initial Listing Requirements on All Nasdaq Markets Within 30 Days Following Each Business Combination

On September 20, 2017, 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”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to modify the listing requirements related to Special Purpose Acquisition Companies (“SPAC”) to reduce round lot holders on Nasdaq Capital Market for initial listing from 300 to 150 and eliminate the public holders required for continued listing from 300 to zero, require \$5 million net tangible assets for initial and continued listing on Nasdaq Capital Market, and impose a deadline to demonstrate compliance with initial listing requirements on all Nasdaq Markets to within 30 days following each business combination. The proposed rule change was published for comment in the Federal Register on October 11, 2017.<sup>3</sup> In response, the

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

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

<sup>3</sup> See Securities Exchange Act Release No. 81816 (October 4, 2017), 82 FR 47269 (October 11, 2017) (“Notice”).

Commission received six comments on the proposal.<sup>4</sup> On November 22, 2017, the Commission extended the time period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change to January 9, 2018.<sup>5</sup> The Commission issued an order instituting proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change on January 9, 2018 (“OIP”).<sup>6</sup> The Commission received three additional comments in response to the OIP, including a comment letter from Nasdaq.<sup>7</sup>

Section 19(b)(2) of the Act<sup>8</sup> provides that, after initiating disapproval 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 filing of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change 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 notice and comment in the Federal Register on October 11, 2017.

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<sup>4</sup> See Letters to Brent J. Fields, Secretary, Commission, from Jeffrey M. Solomon, Chief Executive Officer, Cowen and Company, LLC, dated October 19, 2017; Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated October 25, 2017; Sean Davy, Managing Director, Capital Markets Division, SIFMA, dated October 31, 2017; Akin Gump Strauss Hauer & Feld LLP, dated November 1, 2017; Steven Levine, Chief Executive Officer, EarlyBirdCapital, Inc., dated November 3, 2017; and Christian O. Nagler and David A. Curtiss, Kirkland & Ellis LLP, dated November 9, 2017.

<sup>5</sup> See Securities Exchange Act Release No. 82142 (November 22, 2017), 82 FR 56293 (November 28, 2017).

<sup>6</sup> See Securities Exchange Act Release No. 82478 (January 9, 2018), 83 FR 2278 (January 16, 2018).

<sup>7</sup> See Letters to Brent J. Fields, Secretary, Commission, from Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated January 25, 2018; Paul D. Tropp, Freshfields Bruckhaus Deringer US LLP, dated January 30, 2018; and Arnold Golub, Deputy General Counsel, Nasdaq, dated February 23, 2018.

<sup>8</sup> 15 U.S.C. 78s(b)(2).

April 9, 2018 is 180 days from that date, and June 8, 2018 is 240 days from that date.

The Commission finds it 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 and the comment letters. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>9</sup> designates June 8, 2018, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-NASDAQ-2017-087).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

Eduardo A. Aleman  
Assistant Secretary

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<sup>9</sup> Id.

<sup>10</sup> 17 CFR 200.30-3(a)(31).