



Nasdaq Proposes Changes to SPAC Listing Rules

Oct 12, 2017

Reading Time : **1 min**

Initial Listing Requirements in Connection with Initial Public Offering

Round Lot*

Existing: 300 round lot holders

Proposed: 150 round lot holders

* A round lot means 100 shares of a security.

Net Tangible Assets Requirement

Existing: no net tangible assets requirement

Proposed: \$5 million in net tangible assets

Proposed Continued Listing Requirements and Post-Business Combination Requirements

Continued Listing

Existing: 300 public holders

Proposed: No holder requirement

Net Tangible Assets Requirement

Existing: no net tangible assets requirement

Proposed: \$5 million in net tangible assets

Post-Business Combination Requirement

Existing: Meet all initial listing requirements following the business combination

Proposed: Meet all initial listing requirements within 30-day transition period following the

business combination

If the changes to the net tangible assets test are approved, Nasdaq will begin publishing a daily list on the Nasdaq Listing Center of all SPACs that are no longer compliant with the \$5 million net tangible asset requirement and do not satisfy any other penny stock exclusion. For SPACs that are already listed on Nasdaq if and when the proposed rules become effective, such SPACs need not increase their net tangible assets to comply with the \$5 million requirement, provided that they remain in compliance with the existing continued public holder requirements.

Comments regarding the proposed amendments to Nasdaq's rules can be submitted on the SEC's [website](#) on or before November 1, 2017. The Release Number for the proposal is SR-NASDAQ-2017-087.

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