



March 27, 2026

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549-1090

RE: File No. SR-NASDAQ-2026-009; Notice of Filing of Proposed Rule Change to Adopt Listing Rule IM-5101-4

Dear Ms. Countryman:

SIFMA¹ respectfully submits this letter to the U.S. Securities and Exchange Commission (the “Commission”) in response to the proposal (“Proposal”) by The Nasdaq Stock Market LLC (“Nasdaq”) to adopt new IM-5101-4 to enumerate the factors it will consider when exercising 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 Commission has implemented a temporary trading suspension.²

SIFMA supports the Proposal, which will enable Nasdaq to immediately begin the delisting process by issuing a Staff Delisting Determination to a company that is the subject of a trading suspension by the Commission and where Nasdaq, in its gatekeeping role as a national securities exchange, determines that the company may be susceptible to manipulation based on Nasdaq’s evaluation of the factors in the Proposal. A company that receives a Staff Delisting Determination under the new rule would have the opportunity to seek review of the staff’s determination by a Hearings Panel.

As noted in the Proposal, recently the Commission has suspended trading in more than a dozen stocks under Section 12(k) of the Securities Exchange Act of 1934

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

² Release No. 34-104917 (Mar. 3, 2026), 91 FR 11104 (Mar. 6, 2026).

“Exchange Act”).³ In general, the trading suspensions follow manipulative schemes operated by unknown persons, who make recommendations to investors via social media designed to artificially inflate the price and volume of the securities of the target company. These manipulative schemes have been detailed in the press.⁴ The fraudulent schemes are conducted by unknown persons and there is no indication these individuals have any connection with the company.

SIFMA supports Nasdaq’s Proposal to include in its rules the factors it will consider when initiating delisting proceedings for companies with stocks the Commission has suspended under Exchange Act Section 12(k). In addition, Nasdaq should provide as much information as possible to investors when it exercises its authority pursuant to this rule. Lengthy, indefinite trading suspensions, with no clear deadline for resolution, can compound the negative impacts for investors who own these stocks with no way to sell and no timeline for liquidating their positions. There are also several negative downstream impacts for investors forced to hold positions in these suspended stocks for prolonged periods, including the ongoing cost of carrying the positions and the inability to allocate that locked-up capital to new investments.

When Nasdaq issues a delisting notice under IM 5101-4, it should also provide clarity and transparency to the company’s public shareholders regarding the expected timeline for delisting the company from Nasdaq pursuant to Nasdaq’s complicated delisting rules and processes. At the time Nasdaq acts to begin the delisting process pursuant to IM 5101-4, Nasdaq should provide public information to investors in plain English regarding each of the steps involved, and the expected timing of each step, in delisting the company from Nasdaq under the rule. These public statements should also address the projected timelines if the company exhausts all appeals available under Nasdaq’s rules. Investors should be able to easily understand how long to expect a company’s shares may continue to be listed on Nasdaq but not publicly traded. Nasdaq also should ensure investors are aware of the potential loss in value the company may experience from delisting.

As noted in the Proposal, as a national securities exchange and self-regulatory organization, Nasdaq has an obligation to design its rules “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 . . .”⁵ We agree with Nasdaq that when a company’s stock is the subject of a manipulative scheme that warrants the Commission to suspend trading in the stock, Nasdaq should review the relevant factors surrounding the company and determine whether to immediately begin the process for removing the company from listing on Nasdaq.

³ See 15 U.S.C. § 78l(k); <https://www.sec.gov/enforcement-litigation/trading-suspensions>.

⁴ Weihua Li, et al., *Wall Street’s Stamp of Legitimacy Fuels Suspected Pump-and-Dump Schemes*, BLOOMBERG, Jan. 29, 2026, available at <https://www.bloomberg.com/graphics/2026-wall-street-apparent-pump-and-dump-investor-scam/>

⁵ 15 U.S.C. § 78f(b)(5).

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SIFMA appreciates the opportunity to comment on the Proposal. We support the Proposal so that Nasdaq can immediately begin the delisting process for issuers whose stock is experiencing manipulation and is suspended by the Commission pursuant to Section 12 of the Exchange Act. Please contact the undersigned if you have any questions or need any additional information.

Respectfully Submitted,



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Gerald O'Hara
Vice President & Assistant
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