

Nasdaq Extends Suspension of Minimum Listing Requirements

March 26, 2009

Given the continued market instability, NASDAQ has submitted to the U.S. Securities and Exchange Commission a proposal to extend through July 19, 2009, its prior suspension of its rules requiring that NASDAQ-listed companies maintain a minimum bid price and market value of their public float (*i.e.*, shares held by non-affiliates). Under the current rules, NASDAQ-listed companies would have been subject to delisting for failure to maintain either (a) a minimum closing bid price of \$1.00 for 30 consecutive business days or (b) the minimum market value requirements for publicly held shares for 30 consecutive business days.

The temporary suspension, which NASDAQ instituted in October 2008, was scheduled to remain in effect until January 16, 2009. This is the second extension of the suspension, which would have otherwise expired on April 19, 2009. In support of the continued suspension, NASDAQ notes that market conditions have not improved since the suspension began last October, and that both the number of securities trading below \$1.00 and the number of securities trading between \$1.00 and \$2.00 on NASDAQ have increased since the initial suspension.

During the suspension period, companies will not be penalized for any new violations for failing to comply with the minimum bid price and market value of publicly held shares. Companies presently in a delisting process for failure to comply with either of these rules will have that process suspended and will receive the benefit of any remaining grace period starting with the reinstatement of the rules. Future failures to satisfy the minimum bid price or market value rules will be determined using data starting on July 20, 2009. Companies remain subject to delisting for failure to comply with other listing requirements, and those companies currently in a delisting process with respect to other listing requirements will remain in process.

For Further Information

If you have any questions regarding the suspended minimum listing requirements, including how they may affect your company, please contact one of the [members](#) of the [Securities Law Practice Group](#) or the lawyer in the firm with whom you are regularly in contact.