**FIN 4203**

**Individual Activities**

**Week 4**

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You have to visit the website of the Toronto Stock Exchange or IIROC, and search for one case that the trading of a stock was halted.

Please write a one-page summary (facts, analysis, and conclusion) about the reasons that the stock was halted from trading and the significance of such incident.

Answer: **Summary:** **Vicinity Motor Corp.,** an EV maker based in Canada, recently stopped trading in the TSX Venture Exchange and is now expected to be delisted from Nasdaq. This comes after poor results on the price of its shares and propped financial troubles that finally plunged the company into receivership, a major sign of lack of financial stability and a legal proceeding wherein creditors can begin recovering assets.

**Facts:** 1. Stock Price and Compliance: While Nasdaq does require stocks to trade above $1, Vicinity's shares have fallen to C$0.07, constantly failing this mark by a large margin, thus triggering the process of delisting.

2. Debt and Receivership: Vicinity owes large sums to RBC and EDC, debts which it was not in a position to clear. Restructuring the debt also did not bear any fruit; thus, a court order for receivership had been issued.

3. Operational Impact: The company announced likely layoffs and a halt to operations due to unsustainable finances.

Analysis: The delisting of Vicinity thus shows serious financial instability and insolvency to meet the demands of its creditors. Receivership, on the other hand, suggests the liquidation of assets, with very slight chances of recovery by shareholders.

**Conclusion:** The trading halt and delisting are severe setbacks, signaling that Vicinity struggles to survive. The investors now have few options in selling their shares with almost huge losses.

**References:** MSN Money. (2024). "Nasdaq Delisting & TSXV Trading Halt Continues Vicinity Motor’s Demise." Retrieved from [MSN Money](https://www.msn.com/en-ca/money/topstories/nasdaq-delisting-tsxv-trading-halt-continues-vicinity-motor-s-demise/ar-AA1sNpB0). Private Capital Journal. (2024). "RBC and EDC Issue Notice of Enforcement Security to Vicinity Motor Under BIA." Retrieved from [Private Capital Journal](https://privatecapitaljournal.com/rbc-and-edc-issue-notice-of-enforcement-security-to-vicinity-motor-under-bia/).