



Search Sec.gov

- [Search Filings](#)
- [Submit Filings](#)
- [Data & Research](#)
- [Rules, Enforcement, & Compliance](#)
- [Securities Topics](#)
- [About](#)

[Submit a Tip or Complaint](#)

NEWSROOM

Press Releases

Speeches & Statements

Meetings & Events

SEC Videos

Social Media Directory

What's New

[Home](#) / [Newsroom](#) / [Press Releases](#) / SEC Charges Northern Star SPAC for Material Misrepresentations in its IPO-Related Disclosures

PRESS RELEASE

[Copy Link](#)

# SEC Charges Northern Star SPAC for Material Misrepresentations in its IPO-Related Disclosures

FOR IMMEDIATE RELEASE | 2024-10

Washington D.C., Jan. 25, 2024 — The Securities and Exchange Commission today announced that Northern Star Investment Corp. II, a special purpose acquisition company (SPAC), agreed to settle charges that it made misleading statements in forms filed with the SEC as part of its January 2021 initial public offering (IPO).

According to the SEC’s order, Northern Star stated in its SEC filings that neither the company, nor anyone acting on its behalf, had initiated any substantive discussions with any potential target companies prior to the IPO. However, the SEC’s order finds that Northern Star had engaged in discussions with a target company and that company’s controlling shareholder in connection with a potential SPAC business combination dating back to December 2020 and continuing for several weeks. Furthermore, according to the SEC’s order, after announcing a merger agreement with the target company, Northern Star did not adequately disclose its interactions with the target company in its Form S-4 filings.

“Northern Star’s failure to disclose discussions with its merger target kept investors in the dark about its future plans, information that would have been important in deciding whether to invest in this SPAC,” said Nicholas P. Grippo, Director of the SEC’s Philadelphia Regional Office. “Given that the purpose of a SPAC is to identify and acquire an operating business, SPACs should be transparent about any pre-IPO discussions with potential acquisition targets.”

The SEC’s order finds that Northern Star violated an antifraud provision of the Securities Act of 1933. Without admitting or denying the SEC’s findings, Northern Star agreed to a cease-and-desist order and to pay a \$1.5 million penalty in the event it closes a merger transaction.

The SEC’s investigation was conducted by Oreste P. McClung and Brian R. Higgins and was supervised by Brendan P. McGlynn, Scott A. Thompson, and Mr. Grippo, all with the Philadelphia Regional Office.

###

Last Reviewed or Updated: Jan. 25, 2024

RESOURCES

- [SEC Order](#)

[Return to top](#)

About the SEC

[Budget & Performance](#)

[Careers](#)

[Commission Votes](#)

[Contact](#)

[Contracts](#)

Transparency

[Accessibility & Disability](#)

[Diversity, Equity, Inclusion, & Accessibility](#)

[FOIA](#)

[Inspector General](#)

[No FEAR Act & EEO Data](#)

[Ombuds](#)

Websites

[Investor.gov](#)

[Related Sites](#)

[USA.gov](#)

Site Information

[Plain Writing](#)

[Privacy & Security](#)

Stay connected. Sign up for email updates.

Your email address

[SIGN UP](#)

