

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 15, 2024

SPECTRALAI, INC.

(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other jurisdiction of incorporation)	<b>001-40058</b> (Commission File Number)	<b>85-3987148</b> (I.R.S. Employer Identification No.)
2515 McKinney Avenue, Suite 1000 Dallas, Texas		75201
(Address of principal executive offices)		(Zip Code)

(972) 685-1260

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencements communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	MDAI	The Nasdaq Stock Market LLC
Redeemable Warrants, each whole warrant exercisable for one share of Common Stock, at an exercise price of \$11.50 per share	MDAIW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 7.01 Regulation FD Disclosure

On July 15, 2024, the Company issued a press release announcing that it continues to seek Nasdaq review of potential market manipulation. This inquiry is being led by Erich Spangenberg, a member of the Board of Directors and the Company's largest shareholder. He has again asked for an inquiry to the Nasdaq Stock Market LLC, to bring to its attention to potential market manipulation of the Company's common stock, primarily in the form of naked short-selling. This action is further detailed below and a copy of this release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01 to this Current Report on Form 8-K, and in Exhibit 99.1 furnished herewith, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

## Item 8.01 Other Events

On July 15, 2024, the Company sent a letter to the Nasdaq Stock Market LLC to continue to seek its attention to potential market manipulation of the Company's common stock, primarily in the form of naked short selling. A copy of this letter is being furnished as Exhibit 99.2 to this Current Report on Form 8-K. This inquiry is being led by Erich Spangenberg, a member of the Board of Directors and the Company's largest shareholder.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<b>99.1</b>	<a href="#">Press Release issued by Spectral AI, Inc. dated July 15, 2024.</a>
<b>99.2</b>	<a href="#">Letter from Spectral AI, Inc. to the Nasdaq Inc., dated July 15, 2024.</a>
<b>104</b>	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 15, 2024

**SPECTRAL AI, INC.**

By: /s/ Peter M. Carlson

Name: Peter M. Carlson

Title: Chief Executive Officer



### **Spectral AI Continues Support of Naked Short Selling Inquiry**

**DALLAS, TX - July 15, 2024 - Spectral AI, Inc. (Nasdaq: MDAI) (“Spectral AI” or the “Company”)**, an artificial intelligence (AI) company focused on medical diagnostics for faster and more accurate treatment decisions in wound care, today provided an update on its ongoing initiatives to expose what it believes is potential market manipulation of the Company’s common stock, primarily in the form of naked short selling.

As previously announced, in separate letters dated June 24, 2024, the Company – under the leadership of Erich Spangenberg, a member of the Board of Directors and Spectral AI’s largest shareholder – provided support to Nasdaq and the state securities authorities in Florida, Louisiana and Texas to bring to their attention this potential violation of Nasdaq rules and federal and state law.

In a follow up letter to Nasdaq dated July 15, 2024, Mr. Spangenberg once again calls on authorities to investigate the likely prevalence of naked short selling that is negatively impacting both MDAI shares and many other de-SPAC transaction companies.

Copies of the letters dated June 24, 2024 were filed by the Company via a Form 8-K that is available at [www.sec.gov](http://www.sec.gov). A copy of the July 15, 2024 letter will be filed by the Company later today via a Form 8-K and will be available at [www.sec.gov](http://www.sec.gov).

#### **About Spectral AI**

Spectral AI, Inc. is a Dallas-based predictive AI company focused on medical diagnostics for faster and more accurate treatment decisions in wound care, with initial applications involving patients with burns and diabetic foot ulcers. The Company is working to revolutionize the management of wound care by “Seeing the Unknown<sup>®</sup>” with its DeepView<sup>®</sup> System. The DeepView<sup>®</sup> System is a predictive device that offers clinicians an objective and immediate assessment of a wound’s healing potential prior to treatment or other medical intervention. With algorithm-driven results and a goal to change the current standard of care, the DeepView<sup>®</sup> System is expected to provide faster and more accurate treatment insight towards value care by improving patient outcomes and reducing healthcare costs. For more information about the DeepView<sup>®</sup> System, visit [www.spectral-ai.com](http://www.spectral-ai.com).

#### **Forward Looking Statements**

Certain statements made in this release are “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995, including statements regarding the Company’s strategy, plans, objectives, initiatives and financial outlook. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. As such, readers are cautioned not to place undue reliance on any forward-looking statements.

Investors should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” sections of the Company’s filings with the SEC, including the Registration Statement and the other documents filed by the Company. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements.

#### **Investors:**

##### **The Equity Group**

Devin Sullivan  
Managing Director  
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July 15, 2024

**VIA EMAIL**

Ms. Adena T. Friedman  
Chair and Chief Executive Officer  
Nasdaq, Inc.  
151 West 42nd Street  
28<sup>th</sup> Floor  
New York, NY 10036

Re: MDAI – Naked Shorting – Stock Manipulation on the Nasdaq Stock Exchange

Dear Ms. Friedman:

On June 24, 2024, Vincent S. Capone, the CFO and General Counsel of Spectral AI, Inc. (MDAI), sent you a letter requesting your attention to the blatant naked shorting occurring in the trading of MDAI on the Nasdaq Stock Exchange. This violation of Nasdaq rules and federal and state law is a matter of great concern. As a Nasdaq NM company, we were disappointed to receive no response from you or the Nasdaq.

The sum of the shares on the Company's May 28, 2024, NOBO and OBO list exceed the MDAI float by over 40%. We verified with Broadridge that a company cannot have more shares on its combined NOBO and OBO list than are in its float. Spectral AI's float is not a "little off" due to some settlement fluff in the numbers – this is shocking and blatant evidence of naked shorting that I trusted your office would immediately respond to and investigate these illegal activities.

I suspect the bad actors here are algorithm-driven trading platforms enabled by prime brokers who know something is wrong, but it is not in their business interest to ask too many questions. As you know, prime brokers are vital in ensuring regulatory compliance for their clients and their own operations. They must adhere to the regulations set by the Nasdaq, the U.S. Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA).

MDAI regularly appears on the failure to deliver list, so it can hardly come as a surprise to the primes that there might be something amiss here. MDAI is an easy case as the float is relatively tight, but as part of your investigation, I suspect that you will find the practice of naked shorting is prevalent in many de-SPAC transactions. In my opinion, this naked shorting is a form of domestic economic terrorism being perpetrated by very bad actors who know better, and they are harming Nasdaq's sterling reputation, capital markets, investors, capital formation, and innovation. Naked shorting is a serious threat to what the Nasdaq stands for and cannot be tolerated.

2515 McKinney Ave., Suite 1000  
Dallas, TX 75201  
972-499-4934  
www.spectral-ai.com

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While there may be a significant amount of money at risk for all involved if federal or state regulators or a private right of action was brought, this is not what I want. I want to see the system work as it is supposed to. This past week, I was the lead sponsor on a SPAC that listed on the Nasdaq trading under the symbol SIMAU. I hope to list more SPACs as market conditions permit. I also plan to bring other companies in my portfolio public on the Nasdaq. MDAI is not alone in asking why the Nasdaq rules and federal and state securities laws are being flaunted by some bad actors and why the Nasdaq is not looking into this issue.

The Nasdaq website says one of the core missions of any securities exchange is investor protection through surveillance of market activity, monitoring listed company compliance with listing standards, and through its investigation and enforcement program.<sup>1</sup> The information I have is paramount to Nasdaq's mission.

I am based in Paris, but will be in New York City on July 17, 18, and 19. If, in a 15-minute meeting, I cannot convince you or a member of your staff that investors are not being protected and Nasdaq rules and applicable securities laws are being violated, I will drop the issue with Nasdaq. If your assistant will contact me, I can confirm a mutually convenient meeting time during one of these three days.

I look forward to the courtesy of a response. You may reach me via email at [REDACTED] or by phone at [REDACTED]. Your prompt attention to this matter is greatly appreciated.

Best,

/s/ Erich Spangenberg

Erich Spangenberg

Member of the Board of Directors of MDAI  
Responsible for Naked Shorting Investigation and Reporting

cc: Vincent S. Capone  
CFO and GC MDAI

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<sup>1</sup> <https://www.nasdaq.com/articles/role-of-an-exchange%3A-enforcement-2021-02-05#:~:text=One%20of%20the%20core%20missions,its%20investigation%20and%20enforcement%20program.>

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