

# The Nasdaq Halt Cross

Nasdaq strives to provide fair executions for investors through an open and transparent process that creates a single price for halt resumptions based on supply and demand.

## Timeline Of The Halt Cross

### System Start-Up

Nasdaq will accept orders beginning at system start-up.

- Nasdaq begins accepting quote and orders upon entry.
- Displayed quotes and orders will be disseminated on Nasdaq depth of book feeds (i.e. MDAY, SDAY, MGTC, SGTC).

### Display Only Period

Pre-open quoting, indicative clearing price and imbalance information dissemination begins.

- Nasdaq continues accepting quotes and all order entry.
- Indicative clearing price and imbalance information dissemination begins.
- Entered orders can be canceled.
- No executions occur before the halt resumption.
- Initial display only period is five minutes.

### Nasdaq May Extend Display-Only Period, If Necessary

Volatility during the display only period will result in a 1- minute automatic extension. An extension will be triggered by a market order imbalance or a movement of 5% or 50 cents (whichever is greater) based on the price immediately prior to the cross and any of last three reference price disseminations.

### Resumption of Trading

- The Halt Cross begins, an execution occurs, and a bulk print is disseminated.
- Price is set by volume.
- No circuit breaker on execution price.
- After the cross, regular trading begins.

### THE NASDAQ HALT CROSS IS DESIGNED TO:

#### Nasdaq Halt Cross:

- Provide fair executions at a single price that maximizes volume and is reflective of supply and demand in the market.
- Maximize transparency for halt resumptions by disseminating timely imbalance information to investors.
- Create an open process in which all investors have the ability to enter orders and participate in price discovery.

## Order Types For The Halt Cross

- Regular market orders, limit orders and quotes are all eligible to participate.
- All time-in-force types are eligible to participate.

## Imbalance Data Dissemination

Halt information is disseminated during the display only period on the Net Order Imbalance Indicator (NOII), which is available via the Nasdaq Trader website and Nasdaq TotalView®. Information includes:

### Indicative Clearing Price

- Price at which the opening book would clear based on current quotes and orders.
- This will be populated through the Current Reference Price, Near Price and Far Price.

### Paired Shares

Number of shares matched for execution at the Indicative Clearing Price.

### Dissemination Frequency

Every second.

### Imbalance

Total shares that cannot be matched for execution at any price and side of unexecutable shares.

## Execution Priority And Algorithm

### Execution Priority

- Price/time with reserve size after displayed size at each price.

### Execution Algorithm

Maximize number of shares executed.

### Tiebreakers

Minimize the distance from last Nasdaq trade before the halt.

## More Information

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