SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106139; File No. SR-NASDAQ-2026-064]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Equity 4, Rule 4120 Regarding Trading Halts

August 14, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on August 3, 2026, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the previously approved but not yet operative Equity 4, Rule 4120 to update that rule text to reflect intervening rule changes incorporated in Nasdaq's current operative Rule 4120. Nasdaq also proposes to make related conforming changes to other Nasdaq rules.

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on August 10, 2026.

The text of the proposed rule change is available on the Exchange's Website at https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings, and at the principal office of the

1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Nasdaq proposes to amend Equity 4, Rule 4120 to make operative the rule framework that the Commission previously approved in SR-Nasdaq-2022-017,[3] as amended, and to update that approved but not yet operative rule text so that it reflects amendments that have been incorporated into Nasdaq's current operative Rule 4120 since approval of that filing. Nasdaq also proposes related conforming changes to other Nasdaq rules that reference Rule 4120.

Although the Commission approved that framework, the rule text did not become operative immediately. Implementation of the revised halt framework was dependent on industry readiness, including readiness by other exchanges to implement corresponding changes. During the period in which the approved Rule 4120 framework remained inoperative, Nasdaq continued to amend its current operative Rule 4120 through separate rule changes. As a result, the previously approved but dormant Rule 4120 framework must now be conformed to the current operative text of Rule 4120 before it becomes operative. To the extent the applicable

[3] See Securities Exchange Act Release No. 95069 (June 8, 2022), 87 FR 36018 (June 14, 2022) (SR-NASDAQ-2022-017).

rule text has not changed since the Commission's approval of SR-Nasdaq-2022-017, however, Nasdaq is not proposing substantive changes to that text, and the proposed rules remain consistent with the rules approved in that filing.

This proposal is therefore designed to avoid implementing an outdated version of Rule 4120. The proposal preserves the structure and core regulatory framework approved in SR-Nasdaq-2022-017, while incorporating intervening updates that are reflected in Nasdaq's current operative Rule 4120. As proposed in SR-Nasdaq-2022-017, the Exchange would replace the entirety of the currently operative Rule 4120 with the Rule 4120 herein proposed. The Exchange believes that making these updates before the approved framework becomes operative will promote clarity, consistency, and transparency for Members, issuers, and market participants.

Background

Rule 4120 sets forth Nasdaq's authority and procedures with respect to trading halts, trading pauses, regulatory halts, operational halts, and the resumption of trading following such events. The previously approved Rule 4120 framework was designed to conform Nasdaq's rules to amendments to the Nasdaq UTP Plan, including Amendment 50,[4] which established common cross-market concepts and procedures for regulatory and operational halts. The framework incorporated UTP Plan-based definitions and concepts and reorganized Rule 4120 to address authority to initiate Regulatory Halts, procedures for initiating Regulatory Halts, Regulatory Halts initiated by other markets, resumption of trading after a Regulatory Halt, and Operational Halts. That filing was intended to harmonize certain halt and resumption procedures across self-regulatory organizations and to provide greater transparency regarding regulatory and

4 See Securities Exchange Act Release No. 92071 (May 28, 2021), 86 FR 29846 (June 3, 2021) (File No. S7-24-89) (approving Amendment No. 50 to the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis ("UTP Plan")).

operational halts.

The approved framework also moved certain existing provisions into a more organized structure and updated related cross-references in other Nasdaq rules. In particular, the framework organized halt authority into discretionary and mandatory Regulatory Halt provisions, incorporated procedures for resumption after Regulatory Halts and SIP Halts and maintained Nasdaq-specific processes for reopening trading through the Nasdaq Halt Cross where applicable.

Because the approved framework remained inoperative pending coordinated industry implementation, however, the current operative version of Rule 4120 continued to evolve. The changes proposed in this filing incorporate those intervening current-rule updates into the approved Rule 4120 structure so that, when the reorganized framework becomes operative, it will reflect the rule text currently maintained in Nasdaq's operative rules. To the extent the applicable rule text has not changed since the Commission's approval of SR-Nasdaq-2022-017, Nasdaq is not proposing substantive changes to that text, and the proposed rules remain consistent with the rules approved in that filing.

Description of Proposed Changes

The proposed changes generally fall into several categories, each of which is intended to conform the previously approved but not yet operative Rule 4120 framework to current operative Rule 4120 and to preserve the intended operation of related Nasdaq rules once the reorganized framework becomes operative.

Definitions and Trading Session Terminology. Nasdaq proposes to update the definitions section of Rule 4120 to align the approved but inoperative framework with current Rule 4120.[5]

[5] See proposed Rule 4120(a).

These updates include adding Class ETF Shares to the definition of Derivative Securities Product and updating terminology relating to Pre-Market Hours, Post-Market Hours, Day Session, Night Session, and Regular Market Hours. Nasdaq also proposes to use current trading-session terminology throughout the rule, including in provisions governing trading in certain Derivative Securities Products pursuant to unlisted trading privileges. These changes conform the dormant framework to terminology and session definitions reflected in Nasdaq's current rules.

Night Session and Corporate Action-Related Halt Provisions. Nasdaq proposes to incorporate provisions now reflected in current Rule 4120 relating to the Night Session and the transition between the Day Session and Night Session.[6] These provisions include halting trading at the conclusion of the Day Session and resuming trading with the commencement of the Night Session, order cancellation at specified session endpoints, the Exchange's authority to pause trading during the Night Session, and procedures for halting or delaying commencement of trading during the Night Session when the primary listing market has halted trading or delayed commencement of trading in a security. Nasdaq also proposes to incorporate current provisions requiring Nasdaq, when it is the Primary Listing Market, to halt trading in a security before the end of Post-Market Hours on the day immediately preceding the market effective date of a reverse stock split, with trading resuming pursuant to the Nasdaq Cross Halt mechanism under Rule 4753.[7]

Limit Up-Limit Down and Order Handling Updates. Nasdaq proposes to conform the Limit Up-Limit Down provisions to current Rule 4120, including updates to terminology and

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6 See proposed Rule 4120(a)(7), (8), (19), (20), and (21), and proposed Rule 4120(b)(1)(B)(ix) and (b)(1)(C)(v)–(vi).

7 See proposed Rule 4120(b)(1)(C)(vi).

order handling provisions.[8] These updates include references to CORE FIX protocols and to Managed Pegging, Discretionary, and Reserve Order Attributes in the order repricing provisions, as well as an updated cross-reference to the definition of Permitted Price in Rule 4763. Nasdaq also proposes to retain and relocate, within the reorganized framework, current provisions requiring Nasdaq to notify the Processor if it is unable to reopen trading due to a systems or technology issue.

Non-IPO Regulatory Halt Reopening Procedures. Nasdaq proposes to update the resumption provisions in Rule 4120(b)(4) to reflect current operative rule text for reopening after a non-IPO Regulatory Halt.[9] These changes include incorporating provisions for establishing Auction Reference Prices and Auction Collars, extending the Display Only Period when an order imbalance exists, adjusting Auction Collar prices during extended display-only periods, defining order imbalances for purposes of the reopening process, and notifying the securities information processor if the Exchange is unable to reopen trading due to a systems or technology issue. Nasdaq also proposes to incorporate the current provision under which a trading halt that exists at or after 3:50 p.m. in a stock reopens via a Hybrid Closing Cross pursuant to Rule 4754(b)(7). To the extent that text in the approved but not operative Rule 4120(b)(4) are superseded by these proposed conforming changes, the Exchange proposes to delete that text as obsolete.

LULD Trading Pause Reopening Procedures. Nasdaq proposes to retain the LULD-specific reopening process in the reorganized framework and to update related cross-references.[10] The proposal preserves the current process for establishing the Auction Reference Price and Auction Collars for a Trading Pause initiated under the Limit Up-Limit Down Mechanism,

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8 See proposed Rule 4120(b)(1)(C)(ii).

9 See proposed Rule 4120(b)(4)(A).

10 See proposed Rule 4120(b)(4)(A)(i)c.

extending the Display Only Period when an order imbalance exists, adjusting the applicable Auction Collar, and reopening via a LULD Closing Cross when a Trading Pause exists at or after 3:50 p.m. These proposed updates are non-substantive and are intended only to renumber the LULD reopening provisions within the approved but inoperative Rule 4120 structure and update related cross-references accordingly.

Initial ETP Open. Nasdaq proposes to incorporate provisions reflected in current Rule 4120 relating to an optional Initial ETP Open process for Exchange-Traded Products on their first day of trading.[11] These provisions address the circumstances under which an issuer may opt into the process, the role of a broker-dealer serving as Designated Liquidity Provider, the Display Only Period and Pre-Launch Period, validation checks, price-band selection, and the circumstances under which Nasdaq may delay, postpone, or reschedule the Initial ETP Open. Incorporating these provisions into the reorganized framework conforms the dormant rule text to the current operative rule.

IPO, Direct Listing, and Direct Listing with a Capital Raise Updates. Nasdaq proposes to update the IPO and direct listing provisions to reflect current Rule 4120.[12] These changes include conforming cross-references to the IPO Halt process, updating references to the role of the financial advisor in connection with initial pricing of securities that have not been listed on a national securities exchange immediately prior to initial pricing, and incorporating current Direct Listing with a Capital Raise provisions. The Direct Listing with a Capital Raise provisions include the related Price Range, DLCR Price Range, Price Volatility Constraint, Pre-Launch Period, Post-Pricing Period, public dissemination of Current Reference Price information, and

11 See proposed Rule 4120(b)(1)(B)(viii) and proposed Rule 4120(b)(4)(A)(i)d.

12 See proposed Rule 4120(b)(1)(B)(iii) and proposed Rule 4120(b)(4)(C).

related disclosure and validation conditions. These updates conform the approved but inoperative framework to current rule text governing those initial pricing processes.

Operational Halt and Resumption Updates. Nasdaq proposes to retain the Operational Halt provisions and related resumption language under Rule 4120(c) largely as approved in SR-Nasdaq-2022-017.[13] These provisions preserve Nasdaq's authority to declare an Operational Halt when appropriate and clarify how Nasdaq resumes trading following an Operational Halt, including when Nasdaq is the Primary Listing Market and when Nasdaq is not the Primary Listing Market. The Exchange is not proposing any changes to these operational halt-related provisions.

Conforming Cross-Reference Changes. Nasdaq proposes conforming changes to related rules that reference Rule 4120. These changes update cross-references in rules relating to order types, the Nasdaq Halt Cross, the Nasdaq Closing Cross, dually listed securities, direct listings, certain derivative securities, the IPO Indicator Service, and clearly erroneous transactions.[14] These changes are intended to preserve the intended operation of the affected rules after the reorganized Rule 4120 framework becomes operative and to avoid obsolete references to the current Rule 4120 structure.

Implementation

The Exchange intends to implement the proposed rule change on August 10, 2026, as part of a cross-market implementation of the revised Rule 4120's regulatory and operational halt framework. The Exchange will provide notice of the scheduled implementation date prior to implementation.

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13 See proposed Rule 4120(c).

14 See, e.g., proposed Equity 4, Rules 4702, 4753, 4754; proposed Nasdaq Listing Rules 5711, IM-5220; IM-5315-2, IM-5405-1, and IM-5505-1; proposed Equity 7, Section 115, and proposed Equity 11, Rule 11890.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[15] in general, and furthers the objectives of Section 6(b)(5) of the Act,[16] in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(5) of the Act. The proposal is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest.

The Exchange believes that the proposal is consistent with Section 6(b)(5) because it will allow Nasdaq to implement a previously approved Rule 4120 framework in a current and accurate form. Implementing the approved framework without incorporating intervening changes reflected in current Rule 4120 could create confusion and result in an operative rule that does not align with Nasdaq's current rulebook. By conforming the dormant approved framework to current operative Rule 4120 before implementation, the proposal will promote clarity and transparency for Members and market participants.

The Exchange also believes that the proposal is consistent with Section 6(b)(5) of the Act because it would make operative rule changes necessary to conform Nasdaq's rules to

[15] 15 U.S.C. 78f(b).

[16] 15 U.S.C. 78f(b)(5).

amendments to the applicable Equity Data Plan[17] governing regulatory and operational halts. As reflected in SR-Nasdaq-2022-017, those amendments were intended to promote greater transparency, clarity, and consistency in the circumstances under which trading may be halted and resumed across markets. The Exchange believes that implementing the previously approved Rule 4120 framework, with the conforming updates described herein, will advance those same objectives by supporting uniform, transparent, cross-market halt rules, reducing the potential for confusion during cross-market events, fostering cooperation and coordination among SROs and market participants, and assisting in the maintenance of fair and orderly markets.

The proposal also supports fair and orderly markets by preserving the Commission-approved organization of Rule 4120 while incorporating current rule provisions concerning trading sessions, halt authority, reopening procedures, LULD processes, Initial ETP Opens, direct listings, and related cross-references. These updates will help market participants understand when Nasdaq may halt, pause, or resume trading and how related Nasdaq rules will operate once the reorganized framework becomes operative.

The Exchange further believes that the proposal protects investors and the public interest by avoiding the implementation of stale rule text. The proposed amendments do not seek to rework the fundamental policy basis of the approved Rule 4120 reorganization. Rather, they update the approved but inoperative framework to reflect intervening rule text that is already incorporated in Nasdaq's current operative rules. This approach promotes consistency between the rule text being made operative and the rule text on which Members and market participants

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17 The effective national market system plan(s) that currently govern the collection, consolidation, processing and dissemination of consolidated equity market data via the exclusive securities information processors ("SIPs"), are (1) the Consolidated Tape Association Plan ("CTA Plan"), (2) the Consolidated Quotation Plan ("CQ Plan"), (3) the UTP Plan, and (4) any successor thereto to the named plans (collectively, the "Equity Data Plans").

currently rely.

The conforming cross-reference changes are also consistent with Section 6(b)(5) because they will reduce confusion and maintain the intended operation of Nasdaq's rules after the reorganized Rule 4120 framework becomes operative. Updating references in related rules is necessary so that those rules continue to point to the correct provisions within the reorganized Rule 4120 structure.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal is intended to make operative a previously approved Rule 4120 framework and to conform that framework to current operative Rule 4120. The proposal will apply equally to all Members and market participants subject to the affected rules.

The Exchange does not believe that the proposal will impose an undue burden on intermarket competition. The previously approved Rule 4120 framework was designed, in part, to harmonize halt and resumption procedures across markets. This proposal supports that objective by preparing the approved framework for implementation in a form that is consistent with Nasdaq's current operative rule text.

The Exchange also does not believe that the proposal will impose an undue burden on intramarket competition. The proposed updates are generally conforming, organizational, or cross-referential in nature, or otherwise incorporate provisions already reflected in current operative Rule 4120. They do not unfairly discriminate among Members or classes of market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act[18] and subparagraph (f)(6) of Rule 19b-4 thereunder.[19]

A proposed rule change filed under Rule 19b-4(f)(6)[20] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b4(f)(6)(iii),[21] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposed rule change may become operative immediately upon filing and in advance of the planned August 10, 2026, implementation date. The Exchange states that a waiver of the operative delay would permit Nasdaq to implement the previously approved Rule 4120 framework in a current and accurate form, conform Nasdaq's rules to amendments to the applicable Equity Data Plans governing regulatory and operational halts, and support coordinated implementation of uniform cross-market halt procedures. The

18 15 U.S.C. 78s(b)(3)(A)(iii).

19 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

20 17 CFR 240.19b-4(f)(6).

21 17 CFR 240.19b-4(f)(6)(iii).

Exchange also states that the proposed rule change makes operative a Commission-approved framework with conforming updates to reflect intervening changes already incorporated in Nasdaq's current operative rules. For these reasons, and because the proposed rule change raises no new or novel legal or regulatory issuers, the Commission finds that waiver of the operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[22]

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)[23] of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or

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22 For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

23 15 U.S.C. 78s(b)(2)(B).

- Send an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2026-064 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-NASDAQ-2026-064. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to file number SR-NASDAQ-2026-064 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

Vanessa A. Countryman,

Secretary.

[24] 17 CFR 200.30-3(a)(12), (59).