

# Order Risk Management

Nasdaq PHLX/NOM/BX

Automatic Risk Management Features		Interface	
Feature	Description	OTTO, FIX	Trigger
Order Price Protection (OPP)	<ul style="list-style-type: none"> <li>When the contra side NBBO or the internal market BBO is at or less than \$1.00, orders with a limit more than 100% through the contra side NBBO will be rejected.</li> <li>When the contra side NBBO or the internal market BBO is greater than \$1.00, orders with a limit more than 50% through the contra side NBBO will be rejected.                             <ul style="list-style-type: none"> <li>NOM and BX: OPP will apply the threshold that is the greater of the percentage specified above, and \$0.05.</li> </ul> </li> <li>OPP applies to single-leg orders only. It does not apply to ISO orders, market orders, or stop limit orders.</li> <li>Stock legs will not trade through the underlying stock NBBO by more than \$0.10.</li> <li>A stock tied order to sell where the stock leg is a short sale order will not execute the stock leg at a price that does not improve the NBBO bid for the underlying issue by at least a penny, if the RegSHO short sale price test is in effect for that symbol.</li> </ul>	All	Automatic
Limit Up-Limit Down Protections (LULD)	<ul style="list-style-type: none"> <li>Prevents Market Orders and triggered Stop Orders from executing during Limit Up-Limit Down states.</li> </ul>	All	Automatic
Complex Strategy Price Protection (SPP) – PHLX Only	<ul style="list-style-type: none"> <li>A Vertical Spread will not trade more than a set amount outside of \$0.00 and the difference of the strikes.</li> <li>A Time Spread will not trade for a set amount less than zero.</li> </ul>	FIX	Automatic
Away Market Linkage/ Order Reprice	<ul style="list-style-type: none"> <li>A single-leg Limit or Market Order that would execute through the ABBO will not trade upon entry. Orders for all client categories are eligible to be routed away via linkage.</li> <li>Orders marked as non-routable by the member that are locked or crossed with the NBBO will be repriced to the NBBO and displayed at one MPV away from the NBBO.</li> </ul>	All	Automatic
Acceptable Trade Range	<ul style="list-style-type: none"> <li>A single-leg Limit or Market Order would be limited to a predefined maximum range set by the Exchange where it will be permitted to execute.</li> <li>If the order is not fully executed at or within the boundary price, it will be posted at the boundary price for a short period to allow the market to refresh.</li> <li>PHLX allows five iterations of ATR to occur before the order is cancelled back. NOM and BX do not have a limit to the number of iterations.</li> </ul>	All	Automatic
Acceptable Complex Execution Parameter (ACE) – PHLX Only	<ul style="list-style-type: none"> <li>Spread orders with option legs only will not trade through the combined NBBOs of the individual legs by the greater of \$0.05 and 5%.</li> <li>Stock tied spread orders will not trade through the combined NBBOs of the individual legs by 0.5%.</li> </ul>	FIX	Automatic

## Automatic Risk Management Features

Feature	Description	Interface	
		OTTO, FIX	Trigger
Market Access Protection	<ul style="list-style-type: none"><li>• <b>Order Price Protection (OPP)</b></li><li>• <b>Maximum Order Size:</b> Reject orders that exceed a port-level contract volume threshold. This threshold can be configured by firm.</li><li>• <b>Cumulative Order Size:</b> Reject new orders when the cumulative size (for the same symbol, side, and participant ID) over the previous five seconds exceeds a predetermined threshold. On PHLX, stock legs of stock-tied orders are subject to a separate threshold.</li><li>• <b>Unique ID:</b> - Reject any order that repeats a Client Order ID previously received on the port.</li><li>• <b>Duplicative Order Check:</b> Reject new routable orders if, in the prior 5 seconds, the count of orders with identical participant ID, symbol, side, price, size, account, ExecInst, routing strategy, origin type, or CMTA exceeds a predetermined threshold.</li></ul>	FIX	Automatic

## Elective Risk Management Features

Feature	Description	Interface	
		OTTO, FIX	Trigger
Kill Switch	<ul style="list-style-type: none"><li>• Simultaneously cancels all orders for a firm and prevents new orders for that firm from being accepted.</li><li>• Once the Kill Switch is applied, the affected firm must be manually re-enabled by Market Operations.</li><li>• Also available for pre-defined groups of firms.</li></ul>	All	Member Initiated/ Market Operations Initiated
Cancel on Disconnect	<ul style="list-style-type: none"><li>• All orders will be removed if a loss of communication is detected with an order entry port.</li></ul>	All	Automatic*

\*configured by the Exchange