

# Equity Risk Checks (EQRC)

## Exchange Risk Controls Framework

A risk system designed to address market access rules with oversight and flexible controls built to keep evolving with changing market landscapes and client dynamics. A last stop for risk mitigation, Nasdaq offers a comprehensive pre-trade risk solution to provide final checks before orders enter each Nasdaq exchange.

### Key Benefits:

Set guardrails	Retrieve real-time and historical information	No additional cost
<ul style="list-style-type: none"> <li>Flexible controls and protection parameters by single order and aggregate exposure levels via a RESTful API</li> <li>Configurable automatic actioning when exposure limits are breached</li> </ul>	<ul style="list-style-type: none"> <li>Retrieve information on current settings, consumption levels, alerts and breaches via API</li> <li>Users can opt into email alerts for when risk levels are breached</li> <li>The API provides audit and historical utilization services</li> </ul>	<ul style="list-style-type: none"> <li>Offered within existing membership cost framework</li> <li>Reduce the use of outside vendors</li> </ul>

## Pre-trade Risk Management Features

Single Order Checks	Rate Threshold Checks:	Aggregate Checks*:
<ul style="list-style-type: none"> <li>Restricted stock list</li> <li>Hard to borrow list</li> <li>Single order ADV check</li> <li>Fat Finger Protection</li> <li>Order type/attribution check (ISOs, SSOs, Non-marketable, pre/post market)</li> <li>Market impact check</li> </ul>	<ul style="list-style-type: none"> <li>Port message rate threshold</li> <li>Symbol message rate threshold</li> <li>Duplicative order protection</li> </ul>	<ul style="list-style-type: none"> <li>Gross open exposure</li> <li>Gross executed exposure</li> <li>Gross notional exposure</li> </ul>

\* These checks can be configured by each exchange (NASDAQ, BX, PSX) and by those that are routable orders

\* Users can specify what type of action is taken when limit is breached- reject new orders, reject new and cancel all open including OR excluding open/closing cross orders

\* Users can configure 3 alert thresholds- watch, warn, action

### Equity Risk Checks (EQRC) User Guide

Contact us today to start testing our new pre-trade risk management solutions.

+1 212-231-5180 | [tradingservices@nasdaq.com](mailto:tradingservices@nasdaq.com)