N Nasdaq

The Midpoint Extended Life Order (M-ELO)

Frequently Asked Questions

Who can access the M-ELO order type?

All Nasdaq member firms have the ability to send an M-ELO order.

The M-ELO order has a requisite 10 millisecond waiting period. When does the timer begin?

The M-ELO timer begins upon entry, if the order is marketable at the midpoint of the NBBO. If the order is not eligible to trade at the midpoint upon entry, the M-ELO timer will begin once the limit price of the order is priced at or better than the midpoint of the NBBO.

If the NBBO moves, does the M-ELO timer reset?

No, the timer will not reset. This is the case for both orders that have fulfilled the 10 millisecond countdown, and orders that have not.

How is priority determined for an M-ELO order?

An M-ELO order is ranked in time priority among other M-ELO orders at the time it becomes eligible to execute.

How do I enter an M-ELO order?

Entering an M-ELO order requires a new Cross Type of "E" and a Display Instruction of "M."

Are M-ELO orders available to trade outside of regular market hours?

No. M-ELO orders are only available to trade from 9:30 AM – 4:00 PM ET. M-ELO orders may be entered, however, prior to 9:30 AM ET, but will not be eligible for execution until the market opens.

Are extended-hours TIFs accepted for M-ELO?

No. At this time orders sent with a TIF of "EXT'" or "System Hours" will be rejected.

Can I send an M-ELO order with an IOC Time in Force?

Yes. Both Day and IOCs are available.

Is Minimum Quantity supported by The M-ELO order type?

Yes.

Does the Minimum Quantity constraint apply to every execution, or is it dropped after the first execution?

The minimum Quantity constraint is applied on every potential crossing opportunity, not just the first execution.

Does an M-ELO aggregate multiple contra-side orders in order to meet a Minimum Quantity?

M-ELO does not aggregate multiple contra-side orders to satisfy a minimum fill quantity.

In the scenario where an order executes against multiple resting orders, Nasdaq will send back multiple executions to the client submitting the incoming order.

Does Nasdaq execute the Leaves Quantity below the Minimum Quantity or reject it back?

Yes. The Leaves Quantity will be available to trade on an all-or-none basis.

Can I send an M-ELO order for less than 100 shares?

Yes, we do accept odd lot M-ELO Orders.

Do M-ELO orders execute in a locked market?

Yes. M-ELO orders may execute in a locked market.

Do M-ELO orders execute in a crossed market?

No. The M-ELO order type does not execute in a crossed market.

How are M-ELO executions displayed on data feeds?

M-ELO executions will be reported to the Securities Information Processors and provided in Nasdaq's proprietary data feed in the same manner as all other transactions occurring on Nasdaq (i.e., without any new or special indication that a transaction is an M-ELO execution).

Do M-ELO orders ever route to other destinations?

Currently, the M-ELO order type will never route out.

Does M-ELO support a Post-Only order type?

No. We do not offer a Post-Only attribute for the M-ELO order type.

What securities are available for trading in the M-ELO order type?

All NMS symbols are available for execution.

When will an M-ELO order not execute?

An M-ELO order will not execute if:

- There is a single-stock or market-wide halt.
- The NBBO is crossed.
- The midpoint of the NBBO is through the Limit Up/Limit Down bands.

When would modifying an order result in losing queue position?

Any modification of a resting M-ELO order will result in a restart of the countdown timer, except in the case of reducing the order quantity and the marking of a sell order as long, short, or short-exempt.

What order and execution statistics does Nasdaq provide regarding the M-ELO order type?

Weekly aggregated statistics, as well as delayed monthly aggregated block-sized trading statistics are provided for M-ELO executions. These statistics are published on nasdaqtrader.com.

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