



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105590; File No. SR-NASDAQ-2026-047]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Provide for a Momentary Handoff, upon the Exchange Commencing Trading of NMS Stocks and Exchange Traded Products June 1, 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 May 26, 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, II, and III, 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 Exchange’s rules to provide for a momentary handoff, upon the Exchange commencing trading of NMS stocks and exchange traded products 23 hours per day, five days per week, to facilitate the transition between Day and Night Sessions on the Exchange.

The text of the proposed rule change is set forth below; proposed new language is italicized; deleted text is in brackets.

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 Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

The purpose of the proposed rule change is to amend the Exchange’s Rulebook to provide for a momentary handoff between the Exchange’s new Day and Night Sessions once the Exchange begins to trade NMS stocks and exchange traded products (“ETPs”) on a 23 hours per day, five days per week basis (“23/5”).

Background and Overview

On April 15, 2026, the SEC approved a proposal that the Exchange submitted to trade NMS stocks and ETPs on a 23/5 basis.³ As set forth in the Approval Order, the Exchange will conduct 23/5 trading in two sessions: a “Day” Session, which comprises all existing trading hours of the Exchange, from 4:00 AM ET until 8:00 PM ET,⁴ and a newly established “Night” Session, which will run from 9:00 PM ET until 4:00 AM ET.⁵ Additionally, in coordination with

³ See Securities Exchange Act Release No. 34-105199 (April 10, 2026), 91 FR 20222 (April 15, 2026) (the “Approval Order”).

⁴ The new Day Session will consolidate and encompass three daily trading sessions that occur on Nasdaq during each weekday from Monday through Friday. In particular, the Day Session will encompass the following. First, it will include the Pre-Market Hours session that Nasdaq currently conducts from 4:00AM to 9:30AM ET. See Rule Equity 1, Section 1(a)(9). Second, commencing at 9:30AM with the execution of the Nasdaq Opening Cross, the Day Session will include Nasdaq’s Regular Market Hours trading session, which runs until 4:00PM. See id. Third, commencing at 4:00PM with the execution of the Nasdaq Closing Cross, the Day Session will include the Post-Market Hours trading session, which runs from 4:00 PM until 8:00 PM. See id.

⁵ During weekdays, between the hours of 8:00 PM-4:00 AM ET, the Exchange at present is closed to trading as it is during all weekend hours. Going forward, however, the Night Session will run between 9:00 PM-4:00 AM ET during the weekdays, commencing each week with a Night Session that will begin at 9:00 PM ET on Sundays.

other exchanges offering similar extended trading hours, the Exchange will also pause trading between 8:00 PM ET and 9:00 PM ET to perform maintenance, testing, and to facilitate the transition to the existing trading day to the new trading day, which will commence at 9:00 PM ET (the “Day-to-Night Pause”).⁶ At the conclusion of the Day Session at 8:00 PM ET, Nasdaq will cancel all orders then outstanding.⁷ Nasdaq will launch the operation of its 23/5 market upon the availability of the Securities Information Processor (“SIP”) to operate during the Night Session.⁸

The Exchange intends for the transition from the Night Session to the Day Session to be as seamless as possible, but to ensure that the transition is orderly, it will be necessary for trading to be in abeyance momentarily during that transition. Specifically, this new proposed handoff (the “Night-to-Day Handoff”) will enable the Exchange to avoid reporting overlapping quoting information to the SIP during the transition between sessions.

Unlike the Day-to-Night Pause, the Exchange expects that the Night-to-Day Handoff will be short and of de minimis duration. The Exchange will publish a more specific estimate of the duration of the Night-to-Day Handoff in a Nasdaq Trader Alert prior to the launch of 23/5 trading on Nasdaq.

⁶ Between 8:00 PM and 9:00 PM ET on each weekday, the Exchange will pause trading on its market to conduct maintenance, testing, and to process those corporate actions, such as mergers, stock splits, and dividends, that will become effective the following trading day. The pause will also allow for market participants to process and clear trades before proceeding to a new trading day. See Equity 1, Rule 1(a)(19).

⁷ See Rule 4120(a)(10)(B).

⁸ See Equity 1, Section 1(19) (defining the term “Night Session” and further providing that (1) the Exchange shall not commence operation of the Night Session unless the Equity Data Plans (1) have established a mechanism to collect, consolidate, process and disseminate quotation and transaction information at all times during the Night Session that is equivalent to the mechanism established for Exchange trading hours during Regular Market Hours, and (2) have provided the Exchange with notification that they are prepared to collect, consolidate, process and disseminate quotation and transaction information to accommodate the Night Session; (2) that prior to commencing operation during the Night Session, the Exchange will file a proposed rule change pursuant to Section 19(b) of the Exchange Act and the rules thereunder to amend its rules confirming that the Exchange is able to comply with its obligations under the Exchange Act and the rules thereunder during the Night Session and that such Equity Data Plans are prepared to collect, consolidate, process and disseminate quotation and transaction information at all times during the Night Session (“Night Session Proposed Rule Change”); and (3) that if the Night Session Proposed Rule Change is not filed within 18 months of the SEC’s approval of this proposed rule change, the Exchange will promptly file a proposed rule change to remove the rules that apply to the Night Session). See id.

To effectuate the Night-to-Day Handoff, the Exchange proposes to amend Rule 4120(a)(10)(C) to state that it will cancel all open orders outstanding in the Night Session “just prior to” rather than “as of” 4:00 AM ET.⁹ As set forth in Rule 4752(b), the Exchange will continue to accept new orders again when the Exchange commences the Day Session at 4:00 AM ET.

The Exchange also proposes to amend Rule 4756(a)(3) to state that orders for the Night Session may be entered into the System (or previously entered orders cancelled or modified) from 9:00 PM ET until “just prior to” 4:00 AM ET in accordance with the hours of operation for the Night Session. Similarly, with respect to entry of quotes by Nasdaq Market Makers, the Exchange proposes to provide that during the Night Session, Nasdaq Market Makers and Nasdaq ECNs can enter quotes into the System from 9:00 PM ET to “just prior to” 4:00 AM ET.¹⁰ For orders with a Time-in-Force¹¹ of “Night,” these orders will deactivate “just prior to” the conclusion of the Night Session at 4:00 AM ET, rather than at 4:00 AM ET.¹²

The Exchange proposes to implement this proposal at the same time as when the Exchange commences trading on a 23/5 basis.¹³

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,¹⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act,¹⁵ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect

⁹ See proposed Rule 4120(a)(10)(C).

¹⁰ See proposed Rule 4756(b).

¹¹ The “Time-in-Force” assigned to an Order means the period of time that the Nasdaq Market Center will hold the Order for potential execution. Participants specify an Order's Time-in-Force by designating a time at which the Order will become active and a time at which the Order will cease to be active. See Rule 4702.

¹² The Exchange further proposes to amend subparagraph (2) of Rule 4703, which states that “an Order with a Time in Force of ‘System Hours Day’ or ‘SDAY’ designated for participation in the Night Session will deactivate at 4:00 a.m.,” so that it instead deactivates “just prior to 4:00 a.m.” See proposed Rule 4703(a)(2).

¹³ See n.9, *supra*.

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

It is consistent with the Act for the Exchange to conduct a momentary handoff just prior to the end of the Night Session, at 4:00 AM ET, and prior to the commencement of the Day Session, at 4:00 AM ET, because such a handoff will help ensure that the Exchange does not unintentionally submit overlapping data to the SIP as it transitions from the Night to the Day Session.

As with the transition from the Nasdaq Closing Cross and Regular Market Hours to Post-Market Hours Trading, the transition from Night to Day Sessions may not be instantaneous and may require a few moments to wrap up one trading session before commencing the next one. Nasdaq notes that the rules of the New York Stock Exchange provide for it to open at or “as close to the beginning of Core Trading Hours as possible.”¹⁶

This approach reflects the technical and functional separation of the two systems underlying its two 23/5 trading Sessions and ensures that the transition between trading Sessions occurs in a manner consistent with the Act’s goals of ensuring market integrity, investor protection, and fair and orderly trading.

Lastly, the proposal would reduce potential investor and market participant confusion about the Exchange’s transition between trading Sessions, and the time at which Night Session orders will be canceled in preparation for the commencement of the Day Session. The proposal would address this confusion by clarifying that the transition from Night to Day Session will not be instantaneous, and that a momentary handoff from one Session to the other may be needed during which time outstanding orders from the Night Session will be canceled just prior to 4:00 AM ET.

¹⁶ See NYSE Rule 7.35A(a) (providing for Designated Market Makers to ensure that registered securities open as close to the beginning of NYSE’s core trading hours as possible”)

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange's proposal to conduct a momentary handoff between its Night and Day Trading Sessions is intended to nor will it adversely impact competition. The duration of the Night-to-Day handoff will be momentary, applicable to all participants, and should not impact participants' ability to compete vis-à-vis one another. To the extent that the proposal does have any adverse competitive impact on participants, the Exchange believes that this impact will be minimal, both because the handoff itself will be of a de minimis duration and because the Exchange expects that equity volumes on the Exchange at or around 4:00AM ET will be lower than at other times of the trading day. Moreover, any such impact would be justified by the need to minimize the risks of a disorderly transition occurring between the Exchange's Night and Day Sessions.

The Exchange operates in a highly competitive market in which market Participants can readily choose between competing venues if, as a result of the proposal, they deem participation in the Exchange's market to no longer be desirable or if they do not wish to trade at or around the transition from the Night to the Day Session. Competitors to the Exchange are free to develop or modify the functionality and structure of their markets so that these markets either do not require a handoff at all at or around 4:00 AM ET, or require one of a shorter duration. Accordingly, the Exchange believes that the degree to which its proposal imposes any burden on competition is limited.

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 from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act¹⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.¹⁸

At any time within 60 days of the filing of the 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 to determine whether the proposed rule 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
- Send an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2026-047 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.

¹⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁸ 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 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.

All submissions should refer to file number SR-NASDAQ-2026-047. 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-2026-047 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.¹⁹

Sherry R. Haywood,

Assistant Secretary.

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¹⁹ 17 CFR 200.30-3(a)(12).