



Reminder: BZX Exchange Announces Cboe Market Close and Certification Availability

Reference ID: C2018071000

Overview

As part of Cboe’s commitment to providing innovative, value-added services to our Members, Cboe will introduce Cboe Market Close (“CMC”), a closing match process for non-Cboe Listed securities, on the Cboe BZX Exchange (“BZX Exchange”) on **Monday, August 20, 2018**, pending the SEC reaffirming the staff’s approval. Members will be able to submit buy and sell Market-On-Close orders designated for participation in CMC and obtain the official closing price for any matched shares. Any remaining shares will be cancelled back to Members to allow routing to the primary listing market auctions if so desired.

Daily Schedule

Time Period	CMC Workflow
6:00 am ET	<ul style="list-style-type: none">• Members can enter New orders to participate in CMC.• Members can submit Cancel/Replace or Cancel requests.
3:35 pm ET (CMC Cutoff Time)	<ul style="list-style-type: none">• All New orders, Cancel/Replace and Cancel Requests will be rejected.• Buy and Sell CMC orders are matched based on time priority.• Partial or full cancels will be sent to Members to cancel shares not matched. Final execution price will be provided through an execution report when the official closing price becomes available.• Total size of all buy and sell orders matched via CMC will be published through the Cboe Auction Feed and PITCH Feed.
4:00 pm – 8:00 pm ET	<ul style="list-style-type: none">• As the official closing price is published by the primary listing market, execution reports will be sent to Members to reflect the official closing price as the execution price. Trade reports will be submitted to the SIP as reference trades with a “P” sale condition.• Any update to the official closing price by the primary listing market will trigger execution reports to be

	restated with the updated official closing price for affected trades.
8:00 pm ET	<ul style="list-style-type: none"> If a closing price is not received from the primary listing exchange, then all impacted CMC matched shares will be cancelled.

Order Entry Details **(UPDATED)**

Members will populate the following fields to send a CMC order.

FIX Tag	BOE Field	Description
40	<i>OrdType</i>	1 = Market
59	<i>TimeInForce</i>	7 = At the Close
9303	<i>RoutingInst</i>	B-Book Only

No execution message will be sent at 3:35 pm ET for matched shares. Instead, a FIX or BOE restatement will be sent for any fully or partially matched CMC order, and a standard cancel will be sent for any CMC order that does not have any matched quantity. A new restatement reason (FIX Tag 378, BOE *RestatementReason*) of "C" will be sent to indicate the restatement is specific to CMC. The restatement will contain the following fields:

FIX Tag	BOE Field	Description
35	<i>Order Restated</i>	8
20	N/A	0 = New
150	N/A	D = Restated
378	<i>RestatementReason</i>	C = CMC Restatement
32	<i>LateShares</i>	Number of Shares Cancelled (if any)
151	<i>LeavesQty</i>	Matched Size

After the official closing price is received from the primary listing exchange, one or more executions totaling the Matched Size will be sent for each CMC order. The execution message will contain the following fields:

FIX Tag	BOE Field	Description
35	<i>Order Executed</i>	8
20	N/A	0 = New
150	N/A	1 = Partial Fill 2 = Full Fill
32	<i>LastShares</i>	Execution Size
31	<i>LastPx</i>	Execution Price (official close price)

If a closing price is not received from the primary by 8:00 pm ET, then all CMC matched shares will be cancelled.

In the event that a closing price is updated by the primary listing exchange after its initial publication, then a Trade Cancel Correct (FIX Tag 35=UCC) message will be sent to update the execution price for each CMC execution impacted by the changed closing price. **As a result, all firms that wish to submit CMC orders must be certified for Trade Cancel Correct messages on FIX or BOE before they will be allowed to submit CMC orders.**

Market Data Details

The existing `Auction Update` and `Auction Summary` messages on the Auction and PITCH feeds will be used to disseminate CMC information.

An `Auction Update` message will be sent at 3:35 pm ET to indicate the number of matched shares for each symbol. A new `Auction Type` value of “M” will be used to indicate that the message applies to CMC matched shares. The `Buy Shares` and `Sell Shares` fields will have the same value and either may be used to determine the matched shares.

An `Auction Summary` message will be sent after 4:00 pm ET to indicate the executed price for each symbol. A new `Auction Type` value of “M” will be used to indicate that the message applies to CMC matched shares. The `Price` field will contain the executed price, which will be the same as the official closing price, and the `Shares` field will again report the number of matched shares. If the official closing price is updated after its initial publication, an additional `Auction Summary` will be sent to reflect the updated closing price.

Testing Schedule

CMC functionality is currently available in the BZX Equities Certification environment.

Fee Code

A new fee code of “MC” will be created and assigned to all CMC executions and the actual fees associated with CMC executions will be announced prior to the production launch.

More Information

For more information refer to the following technical specifications.

- [Cboe Market Close FAQ](#)
- [US Equities FIX Specification](#)
- [US Equities BOE Specification](#)
- [US Equities/Options Depth of Book \(PITCH\) Specification](#)
- [US Equities Auction Feed Specification](#)

We appreciate your continued support and will work hard every day to keep earning your business by powering your potential to stay ahead of an evolving market. As always, we are committed to our customers and to making markets better as your partner in trading.

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