



# Cboe Announces Support for Complex Automated Improvement Mechanism on EDGX Options

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## Overview

Effective **Thursday August 22, 2019**, Cboe will introduce support for Complex Automated Improvement Mechanism (C-AIM) on EDGX Options Exchange (“EDGX Options”).

## Technical Details

On the effective date, EDGX Options will add new functionality to support Complex AIM auctions. Members may initiate a Complex AIM Order by submitting a `New Order Cross Multileg` message, specifying AIM in the `CrossType` (FIX Tag 549) instruction. A maximum of ten contra-parties will be allowed per order. C1 Feature Pack 4 added the `Auction Notification` message to the US Options Complex PITCH feed, and this message will now be utilized to disseminate Complex AIM auction messages on both the US Options Complex PITCH and US Options Complex Auction PITCH feeds.

Complex AIM Orders will generally have the same requirements as AIM orders with the following exceptions.

- Complex AIM orders may only be entered after component legs have opened or the order will be rejected.
- Executions will be allowed outside of the SNBBO for the Complex Instrument but must be within the SBBO and the within best prices of any complex orders resting on the COB.
- Complex AIM orders will only execute against other complex interest and will not leg into the Simple Book.
- Drill Through protections will be applied to both the agency side and contra side of the Complex AIM order.
- All Complex Pricing Checks that apply to standard COB orders (i.e. Minimum or Maximum Price, Strategy Specific Price Restrictions) will apply to Complex AIM orders.
- Customer to Customer Complex AIM orders, regardless of size, will be executed immediately and will not be subjected to an exposure period if the auction price is better than resting Customer COB orders, or equal to or better than resting Non-Customer COB orders.

## **Complex AIM with Support for Stock Legs**

Complex AIM auctions that support instruments with stock legs will follow the same rules specified for options-only strategies. Stock legs will be priced at or inside NBBO and will adhere to any trading restrictions in effect, such as Reg SHO and LULD.

Rejects on Sell Short orders, or system issues with the executing firms, could cause part or all of the agency side not to be entirely filled. In such an event, the rejected stock quantity will result in a corresponding reduction of the total order quantity.

## **Fee Code Updates**

**Effective August 22, 2019**, the following base Fee Codes for Automated Improvement Mechanism (AIM) executions will be updated to support the addition of Complex orders:

Fee Code	Fee/(Rebate)	Description
BA	\$0.20	AIM Agency (Non-Customer)
BB	\$0.05	AIM Contra
BC	(\$0.14)	AIM Agency (Customer)
BD	\$0.50	AIM Responder, Penny
BE	\$1.05	AIM Responder, Non-Penny
EQ	\$0.001	Equity Leg

## **Additional Information**

For more information, refer to the following technical specifications:

- [US Options FIX Specification](#)
- [US Options BOE Specification](#)
- [US Options Complex Book Process](#)
- [US Options Complex Multicast PITCH Specification](#)
- [US Options Complex Auction Multicast PITCH Specification](#)
- [US Customer Web Portal Specification](#)

Please contact the Cboe Trade Desk, for support or with any questions.

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### **Cboe Trade Desk**

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