Cboe Options Technology Integration Feature Pack 6 – All or None (AON) Orders

Reference ID: C2019031800

Overview

Effective May 2, 2019, Cboe Global Markets will introduce new functionality to the EDGX Options Exchange (EDGX) to support AON orders as well as updates to Step-Up-Mechanism (SUM) orders, *subject to regulatory review.* New features and enhancements are in preparation for migration of Cboe Options Exchange ("C1") to Bats technology.

AON Orders

On the effective date, the EDGX Options exchange will begin supporting AON orders. AON orders are a type of order that carry a size contingency and are not included in the Exchange's disseminated market (OPRA/BBO). AON orders are requested by submitting a `New Order` message using either the FIX or Binary Order Entry (BOE) protocol and setting *ExecInst* (FIX Tag 18) = 'G'. AON orders can be designated as a Market order type and are eligible for routing. When routed, orders will only be sent to a market with sufficient size to fill the full quantity and will be routed as Fill or Kill (FOK). Super aggressive routing will not be permitted for AON. Members who have selected match trade prevention will have AON orders automatically converted to Cancel Newest. No other match trade prevention method will be allowed for AON orders.

Market Data

AON orders will not be sent to OPRA, but will be included in Multicast PITCH and Multicast TOP feeds and will be represented at the most aggressively executable price. AON trades will be printed to OPRA with no special trade conditions.

AON Pricing

In two-sided auctions, an AON order executes if priced better than the final auction price and the full contingency can be met. AON orders will not be auto-matched. AON orders will always reprice when required. AON orders will be repriced after non-AON orders and that repricing will occur in priority order based on the priority scheme of the book.

A later arriving AON which cannot be satisfied by a resting AON due to differing quantities will be priced to lock the resting AON. The earlier arriving AON remains in place, even if it is smaller in size relative to the later arriving AON. A later arriving non-AON which cannot satisfy resting AON orders will cause those

AON orders to move less aggressively to be one tick back from the non-AON order. An AON priced more aggressively than the contra side away market BBO (ABBO) will be priced to lock the contra side ABBO.

AON for Complex Order Auction (COA)

COAs will be the only complex order type to support the AON instruction. COA AON orders can trade with a combination of responses and resting orders to meet the AON size contingency. COA AON orders that are not executed in the auction will be canceled and will not be posted to the order book.

Updates to SUM Auction Orders to Support AON

SUM auctions will add support for AON orders. Responses to SUM AON orders for less than the auction size will be held until the end of the auction to allow for aggregation to meet the size contingency. If the aggregate quantity of SUM AON responses and unrelated orders do not meet the size contingency, the SUM AON order will either be routed, posted to the book, or canceled.

Testing Opportunities

Testing of the new AON order functionality will be available in the EDGX Options certification environment effective April 5, 2019.

Additional Information

For more information, refer to the following technical specifications:

- ➢ US Options Auction Process Specification
- ➢ US Options FIX Specification
- ➢ US Options BOE Specification

Please contact the Cboe Trade Desk for support or with any questions. Additionally, you may refer to the C1 integration website for more details at http://batsintegration.cboe.com/c1.

We appreciate your business and remain committed to powering your potential with Cboe products, technologies, and solutions.

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