Cboe

Cboe BZX Options Announces Release and Weekend Testing Dates for Unitized Architecture, BOEv3 Protocol

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OVERVIEW

Applicable Cboe Exchange: BZX Options

Cboe BZX Options Exchange (BZX) is pleased to announce the release of version 3 of its Binary Order Entry (BOE) protocol on **July 29, 2024**, *subject to regulatory review*. The BOEv3 protocol will offer fixed length messages, a single gateway per matching unit, and enhanced determinism.

TECHNICAL DETAILS

New BOEv3 Specification

BZX has released version 1.0.0 of the BOEv3 specification, available in the Technical Specifications section of the Cboe US Options public website. The specification includes a section highlighting notable differences between BOEv2 and BOEv3 to allow Members to better understand all pertinent v3 updates.

Certification Requirement

Members interested in using the BOEv3 protocol **will be required to formally certify with the Trade Desk** using the Certification Tool in the US Customer Web Portal prior to requesting any production BOEv3 ports. Certification ports will be made available per the schedule noted below.

Updated BZX Order Entry Architecture

In the BOEv3 architecture, a gateway server will be placed directly in front of each matching unit, and all traffic (including FIX and BOEv2 traffic) will pass through a BOEv3 gateway before reaching the destination matching unit. Members will be able to connect directly to unitized BOEv3 gateway processes for order, quote, and purge entry using unitized BOEv3 ports. Additionally, a BOEv3 convenience (BOEv3c) Order Entry port will be offered at the convenience layer to give firms continued access to all matching units from a single port. The convenience layer will also offer FIX and legacy BOEv2 connectivity with access to all symbols from a single port. While BOEv3c Order Entry ports will be available at the convenience layer, BOEv3 unitized (BOEv3u) Bulk Quoting ports will exist only at the unitized layer.

Inbound order, quote, modify, and cancel messages originating from any supported BZX order entry protocol will be deterministically ordered by the BZX system upon arrival at the applicable BOEv3 unitized gateway. See "Appendix B: Architectural Diagrams" in the BOEv3 specification for details on this architectural change impacting all BZX order entry traffic.

Members will be able to obtain BOEv3u Order Entry ports allowing for the submission of orders, BOEv3u Bulk Quoting ports allowing for the submission of both quotes and orders, and BOEv3u Purge ports allowing

for the cancellation of orders and quotes across multiple ports for the same matching unit. BOEv3u Order Entry, Quote and Purge ports can be ordered in sets, which will include a port for each matching unit, or individually per matching unit. Fees for BOEv3 ports will be announced at a later date.

Please be advised that BZX plans to decommission BOEv2 protocol in favor of BOEv3. The sunset date for BOEv2 is targeted to be February 2, 2025.There are no plans to decommission the Options FIX order entry protocol.

TESTING OPPORTUNITIES AND WEEKEND TESTS

Members may begin requesting BOEv3c and BOEv3u ports in the certification environment on May 6, 2024, after which time Members may also begin completing their BOEv3 protocol formal certifications using the Certification Tool in the US Customer Web Portal. In addition, three weekend tests will be offered for Members who have completed the BOEv3 certification requirement and have requested Production ports.

Milestone	Date
BOEv3c and BOEv3u Certification ports available; formal certifications begin.	05/06/2024
FIX/BOEv2 traffic to pass through unitized BOEv3 gateways in Production.	05/27/2024
Production BOEv3c and BOEv3u ports may be requested by Members.	06/03/2024
Customer Weekend Test #1	06/22/2024
Customer Weekend Test #2	07/13/2024
Customer Weekend Test #3	07/27/2024
Production Launch of BOEv3.	07/29/2024
Sunset of BOEv2 for BZX Options.	02/02/2025

ADDITIONAL INFORMATION

For more information, please refer to the following technical specification:

- US Options BOEv3 Specification

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

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