



Schedule Update - Cboe and EDGX Options to Allow Equity BD Choice on Stock-Option Orders; New PAR Indicators

Reference ID: C2024030805

OVERVIEW **(UPDATED)**

Applicable Cboe Exchanges: Cboe Options, EDGX Options

Effective April 29, 2024, ~~March 11, 2024~~, Cboe Options Exchange (C1) and EDGX Options Exchange (EDGX) will allow customers to optionally designate an equity Broker Dealer (BD) of choice on electronically processed options orders that include an equity leg. For orders routed to the floor **(C1 only)**, users can optionally identify an equity BD of choice for informational purposes only, as PAR does not currently transmit equity leg transactions to any equity BD. The PAR display will further be enhanced to display new “short sale” (SS) and “short sale exempt” (SSE) indicators in addition to the current buy “B” and sell “S”. Cboe Silexx will also support input of equity BD choice, which will require give-up and MPID information.

Firms may designate their equity BD choice either by populating *EquityExDestination* (FIX Tag 22016) on individual orders or by enabling the new “Default EquityExDestination” port attribute on FIX and BOE protocols. An equity BD entry on an individual order will override a port attribute value. A blank port attribute value will default to the Exchange’s default equity BD (Cowen).

TECHNICAL DETAILS

New Optional “Default EquityExDestination” Port Attribute

C1 and EDGX both utilize a default equity BD (Cowen). Accordingly, all users must establish a relationship with the Exchange’s default equity BD before being permissioned to submit stock-option orders. Once the Firm has a confirmed relationship with the Exchange’s default equity BD, upon the effective date the Firm may optionally designate an equity BD of choice by populating *EquityExDestination* within the FIX and BOE order format or by enabling the optional “Default EquityExDestination” port attribute on FIX and BOE order entry ports.

Attribute	Default	Description
Default EquityExDestination (22016)†	C	Default EquityExDestination (22016) to be used if none is specified on inbound messages.

The optional designated equity BD, whether included on the individual order or established via the port attribute, will function as follows:

- For FLEX and non-FLEX AIM/SAM orders, the order can include a designated equity BD which will apply to the Agency and Contra side orders.
- For COB/COA and FLEX single-sided auction orders, individual orders can include a designated equity BD.

- If both sides of the trade have the same designated equity BD, then the equity portion of the trade will be sent to that equity BD. **If there is a mismatch, the equity portion of the trade will be sent to the Exchange's default equity BD.**
- If neither the order nor the port attribute is populated, the order will default to the Exchange's default equity BD.
- Please note firms should monitor submitted orders to determine where their equity leg traded, as the execution venue/equity BD may differ from that designated on the order or via port attribute.

Note that, similar to current behavior, if any issue prevents the equity portion of the trade from being filled by the selected equity BD, the entire trade will be nullified.

EquityExDestination will be included on FIX Execution Reports for filled electronic stock-option orders (including FLEX orders with an equity leg on C1 only). *EquityExDestination* will also be included in BOE Order Executions and will be available as byte 19, bit 2 of `Order Execution` messages when the new BOE return bitfield *EquityExDestination* is requested on login.

TESTING OPPORTUNITIES

This functionality is currently available to test in the C1 and EDGX certification environments.

ADDITIONAL INFORMATION

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

- [US Options FIX Specification](#)
- [US Options BOE Specification](#)

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

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