

CBOE Regulatory Circular RG17-108

Date: August 1, 2017
To: Trading Permit Holders
From: Business Development Division
RE: Marketable AIM Auction Responses

Beginning August 2, 2017, the Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) will implement a change to AIM Auctions. Auction responses will no longer end the auction immediately if they are marketable with the opposite-side Exchange BBO, or for complex orders, the opposite-side Exchange Spread Market (“ESM”). This change applies to Simple, Complex, and Stock/Option AIM transactions, as well as SAM (AIM AON) transactions.

Pursuant to Rule 6.74A(b)(3)(I), at the conclusion of an AIM auction:

- If there is resting customer quantity at the BBO, the auction response may trade with the Agency Order at one tick inside the BBO, unless there is sufficient size to trade both the resting customer quantity and the AIM Agency Order, in which case the resting customer quantity and AIM agency order will trade at the BBO.
- If there is no resting customer quantity at the BBO, the auction response may trade with the agency AIM order at the BBO.

In each of the above cases, any auction responses that are priced through the BBO will be treated as if they were priced at the BBO pursuant to Rule 6.74A(b)(1)(D) or (E).

Additional Information

- Requests for CBOE API specifications and testing may be directed to the CBOE API group at api@cboe.com or (312) 786-7300.
- Questions regarding the operational topics in this circular may be directed to the CBOE Help Desk at helpdesk@cboe.com or (866) 728-2263.