

This document provides information about upcoming changes to the MIAX Exchange Interface (MEI), Clearing Trade Drop (CTD) and Top of Market (ToM). The exact dates each change will go live will be published via a MIAX Regulatory Circular. For additional information regarding these changes please reference MIAX Technical Alert dated July 12, 2013 at the following URL: <http://www.miaxoptions.com/alertsfilter/alert/technical-alerts>

These changes implement new functionality and performance enhancements and are fully backward compatible. Members are requested to accommodate these changes as needed.

The MIAX Firm Test Bed is upgraded and currently available to test these new features. All features will be made available to members in production once a simple re-certification of their applications is completed.

Included:

- A list of new and modified functional changes
- Specification Links
- Certification and support

1. MIAX Express Interface (MEI) Functional Changes

This section describes new functional changes to the MEI application which is scheduled to go live on or about August 5, 2013.

a. MEI Multi-Port Offering

Release 2.5.0 introduces an option to configure new MEI Ports which allows market making members to access two new Limited Service MEI Ports, in addition to their current two Full Service MEI Ports. The new Limited Service Ports will allow market making member firms to have greater port setup flexibility and thereby allowing better tailoring of their unique trading architecture while incurring no additional costs.

***NEW Limited Service MEI Port**

Limited Service MEI Ports permit all MEI message types with the exception of the bulk quote message and are limited to two ports per market making firm on each engine.

Full Service MEI Port

Full Service MEI Ports permit all MEI message types and are limited to two ports per market making firm on each engine.

Additional information regarding MEI Ports can be found in the MEI Interface Specification v1.5.

b. Multi-Port Groups

Release 2.5.0 also introduces a new feature that allows market making member firms the ability to create customized Groups to control the MEI clean up on disconnect (quote purging) feature.

Default Groups Setup

All quotes and eQuotes entered by a firm to an engine will be removed upon disconnect of a firm's last MEI connection to that engine. All MEI Ports, including limited service ports, on each cloud are part of the default group for that cloud.

Port Grouping Setup

Unique Port Groups can be defined for any combination of Full Service and/or Limited Service MEI Ports as well as by MPIDs. The cleanup-on-disconnect feature can be enabled or disabled for each Port Group. If the cleanup-on-disconnect feature is enabled on a Group, all quotes and eQuotes entered by the firm for the MPIDs associated with that group will be removed upon disconnect of the last connection in that Group. Member Firms can have MIAx setup customized Groups at the firm's direction.

2. Limited Notifications

The MIAx will offer a limited notification option in this version of MEI. The limited notification option will reduce notification traffic and improve system performance. The new limited notification option will no longer distribute Cancel Notification Messages "XN" at the Product Level (Series) for the following Cancel Reasons:

- a. "E" = Exchange Initiated Cancel
- b. "U" = Firm Initiated Cancel
- c. "R" = Canceled due to ARM protection
- d. "T" = Canceled due to Trading halt

The above Cancel Notification Reasons can be reliably derived at the Underlying Symbol level using the Quote Protection Trigger Notification "QP" message.

Please note that it is not possible to fully retire the Cancel Notification Message as some Cancel Messages Reasons will remain. Please reference the specification for these message types.

Additional information regarding Limited Notifications can be found in the MEI Interface v1.5 Specification.

3. Clearing Trading Drop (CTD) Functional Changes

This section describes the new functional changes to the CTD application to support the change that will allow Lead Market Makers (LMM) to receive the Directed Orders regardless of class assignment. This change is scheduled to go live on or about August 1, 2013.

Full details of the changes to Rule 514 can be found in the link below.

http://www.miaxoptions.com/sites/default/files/filing-files/SR_MIAx_2013_20.pdf

The updated CTD will identify when an order is directed to an unassigned Lead Market Maker. CTD will now provide the following two new values the Directed Status field of the CTD Trade Message ("T"):

- a. 'U' = Directed to DLMM not assigned to Underlying
- b. 'I' = Not directed due to Order origin (Origin not Priority Customer)

Additional information regarding the CTD changes can be found in the CTD v1.4 Interface Specification.

LMMs in unassigned classes will also be able to receive the MIAX Marketing Fee subject to meeting specific qualifications. This change is also scheduled to go live on or about August 1, 2013.

Full details of the changes to the MIAX Fee Schedule can be found in the link below.

http://www.miaxoptions.com/sites/default/files/filing-files/SR_MIAX_2013_38.pdf

4. Top of Market Feed (ToM) Functional Changes

The MIAX ToM feed has been updated to display the Priority Customer size on both the Compact and Wide message. A previously unused Reserved field has now been utilized in both message types and will display the size for Priority Customers at the MBBO.

MIAX Trading Operations can upon request provide a compressed file of ToM data file which can be used for testing this feature.

This feature is approved and the MIAX Exchange will publish a subsequent Regulatory Circular which will announce the implementation date to include Priority Customer Size in ToM. This change is scheduled to go live on or about August 1, 2013.

Additional information regarding these ToM changes can be found in the ToM v1.5 Interface Specification.

5. FIX Order Interface (FOI) Functional Changes

This section describes new functional changes to the FOI application which is scheduled to go live on or about August 1, 2013.

FOI Execution Report Message (MsgType=8) Change

New values have been added to the FOI Execution Report message to support a change that will allow LMMs to receive Directed Orders regardless of class assignment. LMMs in unassigned classes will also be able to receive the MIAX Marketing Fee subject to meeting specific qualifications.

The Execution Report Message has added the values U and I values to FIX tag 9730 in the Execution Report Message (MsgType=8). These additional billing parameters can be used to identify executions that have identified an unassigned LMM as a directed firm.

MIAX Interface Specifications

Updated Specification for all changes can be found at the following link:

- <http://www.miaxoptions.com/interface-specifications>

MIAX Certification Requirements

MEI

Members who implement the new Multi-Port offering must first certify this new configuration in the MIAX Firm Test Bed and pass a simple certification test prior to migrating to production. New ports can be created upon request.

CTD

Members who implement the new CTD values must first demonstrate their ability to handle the new values in the MIAX Firm Test Bed and pass a simple certification test prior to migrating to production. CTD sessions can be upgraded upon request.

FOI

Members who implement the new Multi-Port offering must first certify this new configuration in the MIAX Firm Test Bed and pass a simple certification test prior to migrating to production. New ports can be created upon request.

MIAX Support Contacts

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