

IEX Options Frequently Asked Questions

This document contains answers to frequently asked questions about IEX Options Exchange (“IEX Options” or “the Platform”), including common questions pertaining to functionality, membership, risk protections and market data. To receive updates and future trading alerts via email, sign up for our waitlist at www.iex.io/options.

Exchange Overview

1. Q: When will IEX Options begin trading?

A: IEX Options intends to launch at the end of Q3 2026. IEX will provide further details concerning industry testing and symbol rollout dates in subsequent communications later this year.

2. Q: Has IEX Options received regulatory approval?

A: Yes. IEX received SEC approval to trade listed options on September 18th, 2025.

3. Q: Is IEX Options a new exchange medallion?

A: No. IEX Options will be operated as part of Investors Exchange (“the Exchange”), through which IEX operates its current equities exchange.

4. Q: What is the IEX Options market model?

A: IEX Options will utilize a Customer Priority, pro-rata allocation model for all options available for trading on IEX Options. Specialist and Directed Market Maker Participation Entitlements will additionally be offered (see below for additional details). The IEX Options commercial model and associated fee schedule will be announced at a later date.

5. Q: Will IEX utilize a delay mechanism?

A: Yes, IEX Options will utilize a 350-microsecond, hardware-based latency mechanism. Inbound order and quote messages sent from Options Members to the Exchange (e.g., New Order Singles, order cancellations or repricing messages) will be subject to this delay. Outbound messages sent from the Exchange to Options Members (e.g., Execution Reports), outbound market data published by the Exchange, and inbound market data (e.g., OPRA) consumed by the Exchange will not be subject to this delay.

6. Q: Will IEX Options have a “Signal”?

A: IEX Options will offer an optional risk tool called the Options Risk Parameter (ORP), designed to mitigate the impact of latency arbitrage on Market Maker quotes. The ORP will operate by a fixed formula disclosed transparently in IEX’s rules and related Trading Alerts. The ORP is designed to enable Market Makers to provide tighter and deeper quotes on IEX by providing protection from execution against quotes at stale prices by identifying when the best Protected Bid or best Protected Offer of the Away Markets (as defined in Rule 22.160(a)(8)) in a particular options series is sufficiently dislocated from the price of the underlying security to indicate that the best Protected Bid or best Protected Offer of the Away Markets in the options series is likely in transition. If a quote instability determination is generated for an options series quoted by a Market Maker and the quote is above (below) the price level of the quote instability determination, the quote will be either cancelled or repriced to the price level of the quote instability determination (as instructed by the Market Maker) in advance on its quote. IEX expects that Market Makers will elect to use the ORP to manage risks for quotes in some underlying instruments and series, but not necessarily all, based on their relevant risk and based on their experience with the ORP, as they do with other commonly used risk-based controls.

7. Q: What are the IEX Options Exchange Identifiers?

A: IEX Options’ MIC will be IEXO. IEX Options’ OPRA Exchange Code is V.

8. Q: What products will be available to trade on IEX Options?

A: IEX Options will support the trading of equity and ETF options via single leg trading.

9. Q: How can the IEX Options team be contacted?

A: The IEX Options Market Operations team can be contacted by emailing Optionsmktops@iextrading.com. The IEX Options Business Development team can be contacted by emailing bdteam@iextrading.com.

Membership

11. Q: What types of Membership will be supported by IEX Options?

A: IEX Options will offer three types of membership: Order Entry Firm, Options Market Maker, and Clearing Member.

- Order Entry Firms are those representing Customer Orders as agent on IEX Options and those non-Market Maker Members conducting proprietary trading.

- Options Market Makers are registered with the Exchange for the purpose of making transactions as dealer-specialist, having certain rights and bearing certain responsibilities when trading on IEX Options.
- Clearing Members are IEX Options Members with OCC membership engaged in self-clearing or clearing IEX Options Transactions for other Options Members.

An Options Member may qualify for any or all types of membership described above. Please see IEX Rules 18.100 and 18.110 for further details.

12. Q: How will Options Membership work?

A: Options Member is a new category of IEX Exchange membership. To become an Options Member, a firm must be an existing Exchange Member or become an Exchange Member. A firm must also complete applicable documentation, including the Member Application and User Agreement. Please see IEX Rule 18.100 for further information. Instructions for membership and connectivity are located on the [Information Hub](#).

13. Q: What types of Market Maker Appointments will be offered on IEX Options?

A: IEX Options will offer three types of Market Maker appointments on a class-by-class basis: Specialist, Directed Market Maker (DMM), and Registered Market Maker.

- Registered Market Makers, appointed on a class-by-class basis, are eligible to submit quotes in appointed classes and orders/quotes in a Market Maker capacity.
- Specialists, appointed by the Exchange to act as the primary lead Market Maker on a class-by-class basis, are additionally eligible for the Specialist Participation Entitlement described below.
- Directed Market Makers, appointed on a class-by-class basis, are additionally eligible to receive the Directed Market Maker Participation Entitlement described below for orders directed to them that are sent in a Priority Customer capacity in such classes.

For details regarding Market Maker quoting obligations, please see IEX Rules 23.140 & 23.150.

14. Q: How will the Priority Customer Overlay work?

A: A Priority Customer order at the highest bid or lowest offer has priority over orders and quotes of all other market participants at that price. If there are two or more Priority Customer orders at the same price, they trade in time priority. The term “Priority Customer” means any person or entity that is not: (A) a broker or dealer in securities; or (B) a Professional.

15. Q: How will the Specialist Participation Entitlement work?

A: When a marketable order is received that is not directed to a Directed Market Maker who has a quote at the NBBO, after the Priority Customer Overlay is applied, and if the

Specialist also has a quote at the NBBO, its participation entitlement would be equal to the greatest of:

- The proportion of the total size at the best price represented by the size of its quote,
- 60% of the contracts available if there is only 1 other non-Priority Customer at the NBBO,
- 40% of the contracts available if there are 2 or more other non-Priority Customers at the NBBO, or
- 1 contract.

In addition, if the order's size prior to executing against resting Priority Customer interest is 5 or fewer contracts and the Specialist has a quote at the NBBO, the Specialist would receive the full size of the order. In the specific case that the order is directed to the Specialist, the Specialist Participant Entitlement will apply. Note that the Specialist Participation Entitlement will not apply when the Directed Market Maker Participation Entitlement is applied.

16. Q: How will the Directed Market Maker (DMM) Participation Entitlement work?

A: When a marketable order directed to a DMM other than the Specialist is received, after the Priority Customer Overlay is applied, if the DMM to whom the order was directed has a quote at the NBBO, its participation entitlement would be equal to the greatest of:

- The proportion of the total size at the best price represented by the size of its quote,
- 60% of the contracts available if there is only 1 other non-Priority Customer at the NBBO,
- 40% of the contracts available if there are 2 or more other non-Priority Customers at the NBBO, or
- 1 contract.

Exchange Functionality

17. Q: What will IEX Option's trading hours be?

A: Please refer to the Exchange website for the IEX holiday schedule. IEX Options Trading Hours are reflected below.

Session	Start and End Time (ET)
Order Entry	8:00am – 4:15pm*
Pre-Open	8:00am – 9:30am**
Continuous Trading	9:30am** – 4:15pm*

*Order acceptance will be available until 4:00pm ET except for options contracts on Fund Shares and option contracts on exchange-traded notes, which may close as of 4:15pm ET.

**Transition from the end of the Pre-Open to the start of Continuous Trading transition via the Opening Process is dependent on the opening of the underlying, the exact timing of which may vary. Please refer to the IEX Options Opening Process in IEX Rule 22.160 for more information.

18. Q: What order types, TIFs, and handling instructions will be offered?

A: IEX Options will offer Market and Limit Order types, Time in Force instructions of Day and IOC (Immediate or Cancel), and Handling Instructions of ISO, Post Only, and Book Only. Not all combinations are valid for order entry (e.g., Market Orders with a Time in Force of Day will be rejected). Please see IEX Rule 22.100 for more information.

19. Q: In which data centers will IEX Options be located?

A: IEX Options' Production environment will be in the NY3 Equinix facility in Secaucus, NJ. IEX Options' Disaster Recovery environment will be in the CH4 Equinix facility in Chicago, Illinois. IEX Options additionally intends to offer latency-equalized connectivity to the Production environment from the NY3, NY4, NY5, and NY6 data centers.

20. Q: What physical connectivity options will IEX Options offer?

A: IEX Options will offer connectivity via 1 Gigabit and 10 Gigabit Ultra Low Latency (ULL) Ethernet to both the Production and Disaster Recovery environments.

- 10 Gigabit connections can be used both for order/quote entry and for consumption of proprietary market data feeds.
- 1 Gigabit connections can be used for order/quote entry.

21. Q: Can a Member of IEX Equities leverage the same physical connections already in place for purposes of connecting to IEX Options?

A: No. Members will need to establish new dedicated connections to IEX Options. Instructions for membership and connectivity are located on the [Information Hub](#).

22. Q: What market data feeds will be offered?

A: IEX Options will offer 2 real-time market data feeds, TOPS and DEEP.

- TOPS is IEX Options' top-of-book market data feed, aggregated by price level.
- DEEP is IEX Options' depth-of-book market data feed, offering order-by-order-level event details.

23. Q: Will retransmission or snapshot functionality be offered for market data?

A: Yes, both snapshot and retransmission functionality for TOPS and DEEP will be available. Details on this behavior will be added to our Market Data specifications once available.

24. Q: What order entry optionality will Members have?

A: IEX Options will offer the following order entry session types:

- FIX Order Entry Sessions – Support order entry.
- Binary Order Entry Sessions – Support order entry and risk-related messaging.
- Market Maker Quoting Sessions (Binary) – Support quote entry and risk-related messaging by IEX Options Market Makers. Can be optionally configured to support the sending of Purge Requests, specified in the Port Request Form.
- Purge Sessions (Binary) – Support Purge Request functionality (no order / quote entry). Available for canceling and optionally blocking interest submitted via Market Maker Quoting Sessions.

25. Q: What risk-related functionality will IEX Options offer?

A: IEX Options will offer the following risk management controls:

- Trade-Through Protection
- Market Orders in No-Bid (Offer) Series & Market Order NBBO Width Protection
- Limit Order Price Protection*
- Drill-Through Protections
- Intrinsic Value and Arbitrage Checks
- Session Throttling
- Max Quantity and Max Notional Checks*
- Symbol Restriction*
- Order Type Restriction*
- Duplicative Order Rate Threshold*
- Anti-Internalization Qualifier (self-trade prevention)*
- Per-Symbol Activity-Based Risk Controls – Volume-based, Transaction-based, and Percentage-based*
- Cross-Symbol Global Risk Mitigation Protections*
- Cancel on Disconnect*
- Mass Cancel with optional Block functionality at the Session-Level, Session + MPID-Level, or Session + Underlying Symbol-Level*

- Purge Requests via Purge Sessions (available only to IEX Options Market Makers)* with optional Block functionality at the MPID-level, MPID + CustomGroupID(s)-level, or MPID + Underlying Symbol-level*
- Options Risk Parameter* (See FAQ #6 for further information)
**Denotes Member configurability.*

26. Q: Will IEX Options support routing to other US Options Exchanges?

A: Yes. In addition, IEX Options will offer a step-up mechanism, giving Members the optionality to seek fills for marketable interest prior to their marketable orders being routed.