



# Investors Exchange Regulatory Information Circular 2017 - 0005

**Date:** October 03, 2017

**To:** Members of Investors Exchange LLC

**Re:** Introduction of the IEX Market Maker Peg Order Type

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On August 25, 2017, the Securities and Exchange Commission (“SEC”) approved a proposed rule change by Investors Exchange LLC (“IEX”) to introduce a new Market Maker Peg order type.<sup>1</sup> As announced in [IEX Trading Alert #2017-034](#), IEX will begin to support the new Market Maker Peg order type on Wednesday, October 4, 2017.

Pursuant to Rule 11.190(b)(13), the IEX Market Maker Peg order type functions as a displayed Pegged Order that allows Members registered as IEX Market Makers pursuant to Rule 11.150 to enter displayed pegged orders that are automatically priced in accordance with the Market Maker quoting and pricing obligations set forth in Rule 11.151.<sup>2</sup> Please note, pursuant to Rule 11.190(b)(13), Market Maker Peg Orders may only be entered by a Member registered as a Market Maker pursuant to Rule 11.150.<sup>3</sup>

Notwithstanding the availability of the IEX Market Maker Peg Order functionality, a Market Maker remains responsible for entering, monitoring, and resubmitting, as applicable, quotations that meet the requirements of Rule 11.151. Furthermore, it is expected that prior to entry of a Market Maker Peg Order, Market Makers will perform the necessary checks to comply with their obligations under the Market Access Rule,<sup>4</sup> as well as Regulation SHO,<sup>5</sup> including making appropriate order marking and locate determinations.

Please contact IEX Regulation at 646-343-2034 or [regulation@iextrading.com](mailto:regulation@iextrading.com) with any inquiries regarding this Information Circular.

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<sup>1</sup> See Securities and Exchange Act Release No. 81482 (August 25, 2017) 82 FR 41452 (August 31, 2017) (SR-IEX-2017-22).

<sup>2</sup> For a full description of the IEX Market Maker Peg order, please refer to Rule 11.190(b)(13), and the [IEX Market Maker Specification](#).

<sup>3</sup> A Member that wants to become a registered IEX Market Maker may apply by completing the [Market Maker Application](#), and delivering all materials listed on the Application Checklist via email to [marketops@iextrading.com](mailto:marketops@iextrading.com).

<sup>4</sup> 17 CFR 240.15c3-5.

<sup>5</sup> 17 CFR 242.200 through 204.