



## MARKET INFORMATION CIRCULAR



**Circular number:** 2013 - 43      **Contact:** Dan Amar, Head of Market Operations  
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### **Subject: Stop Limit/AON Order Handling Resolution and Additional Information**

With the R7 software release on Monday, October 14, 2013, ISE and ISE Gemini successfully corrected the situation where a conditional all-or-none (AON) order may be included in the ISE or ISE Gemini Best Bid / Offer when the quantity condition is included on a stop limit order. We reported the original situation in Market Information Circular 2013-37.

We further note that recently there have been two new specific, limited situations involving the execution of an AON order that will require a software update. The two situations are:

First, where there is an attempt to match two complex orders at least one of which contains an AON contingency, and there is a customer order on the regular book at the ISE BBO, an AON complex order may trade partially. If the customer order on the book has the largest available quantity of the legs in the complex order structure, and that quantity is enough to fulfill the quantity condition for the complex order for that leg, the AON complex order will execute, even if only a partial execution for the AON order due to the other leg not having enough quantity by executing against the regular order book. There has only been one reported trading situation.

Second, where there is an AON order on the book that is unexecutable because there is better market away, and the away market then fades sufficiently to make the AON order executable, it will not immediately trade. Rather, it will trade the next time there is any change on the contra side of the ISE or ISE Gemini market in that series which allows the order to remain executable. This was discovered during the process of resolving the original AON issue with the R7 release. There have been no reported trading incidents of this condition.

ISE plans to address these order handling conditions in the 8.0 software release.

Please contact ISE Market Operations with any questions by calling 877-473-9989, or by emailing [helpdesk@ise.com](mailto:helpdesk@ise.com).