



NOM OTTO 2.1.4 FREQUENTLY ASKED QUESTIONS

Q: What is OTTO 2.1.4?

OTTO 2.1.4 is a binary protocol that will support order entry functionality on Nasdaq Options Market (NOM) to support order entry functionality for all participants.

OTTO 2.1.4 (previously OTTO 2.1.3) currently supports Nasdaq ISE (ISE), Nasdaq GEMX (GEMX) and Nasdaq MRX (MRX).

Q: When will OTTO 2.1.4 be available on NOM?

Pending SEC approval, OTTO 2.1.4 will be introduced to the NOM production environment on **Monday, November 19, 2018**.

The exchange will make OTTO 2.1.4 available in the NOM NTF environment effective, **Monday, October 1, 2018** with technical testing support available from 9:00 A.M. to 5:00 P.M. Conformance Certification will be required for all OTTO 2.1.4 users on NOM.

Additionally, the Exchange will provide a Saturday UAT opportunity for participants on **Saturday, November 3, 2018**.

Q: Will OTTO 2.1.3 users on ISE, GEMX or MRX be impacted?

No, OTTO 2.1.4 will have no changes to message formats or instructions and all functionality currently supported for ISE, GEMX and MRX will continue to be supported on those markets.

Q: What impact will this introduction have on OTTO 1.4d on NOM?

Effective immediately, OTTO 1.4d will be rebranded and referred to as "Quote Using Orders" or "QUO" for short.

QUO currently allows both Registered Market Maker and Non-Registered Market Maker participants to enter orders with Non-Registered Market marker participants restricted to Post-Only orders.

Effective **Monday, December 3**, use of QUO will be restricted to NOM Market Makers for symbols they are assigned in on NOM and any orders entered with a client capacity other than "M" for Market Maker will be rejected. Non-Registered Market Makers are encouraged to adopt OTTO 2.1.4 to support order entry functionality. This will allow Non-Registered Market Makers a production parallel period to make the final transition from QUO to OTTO 2.1.4.

The QUO technical specification will have no changes that will impact Registered Market Makers. QUO will continue to support Rapid Fire, Multi-Trigger, Kill Switch and AIQ protections for Market Makers. Additionally, orders submitted by NOM Market Makers over QUO will continue to count toward quoting requirements.

Q: What order functionality will OTTO 2.1.4 support on NOM?

OTTO 2.1.4 will support the following order entry functionality:

- Market/Limit Orders
- Day and IOC Time in Force
- Post-Only Orders

- Minimum Quantity Orders
- Price Improving Orders
- On the Open Orders

Q: What functionality will OTTO 2.1.4 not support on NOM?

Similar to the handling on ISE, GEMX, and MRX, OTTO 2.1.4 will not support the following order entry functionality on NOM:

- GTC orders
- Order Routing to Away Wxchanges
- Net Order Imbalance Indicator Notifications

While supported on ISE, GEMX and MRX, OTTO 2.1.4 will not support Electronic PTA on NOM.

Q: What risk protection functionality will OTTO 2.1.4 support on NOM?

OTTO 2.1.4 will support the following risk protection functionalities:

- Fat Finger
- Market Order Spread Protection
- Acceptable Trade Range
- Cancel on Disconnect
- Member Kill Switch Request
- Opening Order Cancel Timer

Q: How will OTTO 2.1.4 support Post-Only functionality on NOM?

Firms will be required to choose a Post-Only firm level configuration of “reprice” or “cancel” upon set up of a new OTTO 2.1.4 port on NOM. Firms that send Post-only orders sent on an individual basis will need to match the configuration of the port and will be rejected if not. For example, if Port 123 is set up with a Post-Only configuration of “reprice”, but the participant sends an order over this port with the **ALOInst** = “cancel” the order will be rejected.

Q: What other functionality will OTTO 2.1.4 support on NOM?

OTTO 2.1.4 will support notification subscription as currently supported on ISE, GEMX and MRX. OTTO 2.1.4 specifies a number of notification message types that can be sent to the client optionally. By default, all notification types are sent out. **Subscription Request** message allows client to modify the set of notification types it receives on the OTTO connection. Modification made via **Subscription Request** Message is only applicable to the current session. Client should re-issue Subscription Request at the beginning of every trading session if full set of notification types is not desired.

Q: How do I request OTTO 2.1.4 Ports?

[Port Request forms](#) are available for participant onboarding.. Ports fees for OTTO 2.1.4 will be assessed and announced on a date to be determined by the exchange.

Q: When will OTTO 2.1.4 IP Subnet details be available?

IP Subnet details for OTTO 2.1.4 ports on NOM will be upon submission of a port request form for either NTF or production ports.

Q: Is Conformance Testing Required?

Yes, all participants requesting OTTO 2.1.4 ports on NOM will be required to complete conformance testing prior to the ports being activated in production. Conformance testing can be scheduled by contacting [Market Operations](#) at +1 215 496 1571.