

RETAIL ORDERS

Driving performance through an innovative approach to retail trading on exchange

IEX Exchange's retail program is designed to allow retail orders to trade at the midpoint. It does this by offering eligible Retail orders the opportunity to trade with IEX's rich midpoint liquidity and incentivizing supplemental midpoint liquidity from Retail Liquidity Providers (RLPs).

Retail Orders

Eligible Retail orders are those sent to IEX during the Regular Market Session by Retail Member Organizations (RMOs, see below) and must be designated as Retail (FIX Tag 9416 = 'R') to remove liquidity at the midpoint upon entry via Discretionary Peg (D-Peg) or Midpoint Peg orders with a Time-in-Force of Immediate-or-Cancel (IOC) or Fill-or-Kill (FOK). Such Retail orders will interact with other IEX orders eligible to trade at the midpoint, including Retail Liquidity Provider (RLP) orders, as well as resting orders priced more aggressively than the midpoint price.

Retail Liquidity Provider (RLP) orders

RLP orders are M-Peg orders that can be submitted by any IEX Member and will be executable only against eligible Retail orders. RLP orders execute against eligible Retail orders in price-time priority at the midpoint, outranking D-Peg orders, which rest outside the NBBO. When there is at least one round lot (in aggregate) of RLP interest available, a Retail Liquidity Indicator (RLI) will be disseminated via IEX market data feeds (TOPS and DEEP) and the SIP.

Benefits of IEX Midpoint Trading

- Opportunity for significant price improvement with zero effective spread
- Reliable execution price: **ALL** trades happening at the NBBO midpoint or better, **ALL** the time
- Potential for increased likelihood of midpoint execution from supplemental RLP liquidity

Qualifying as a Retail Member Organization (RMO)

An RMO is a broker-dealer that conducts a retail business or handles retail orders on behalf of another broker-dealer. An RMO must complete a [Retail Member Organization Application](#) and [Port Request Form](#) and have written policies and procedures (including an attestation) reasonably designed to ensure that orders it designates as Retail orders meet the applicable requirements, including that they originate from individuals and that the order does not originate from a trading algorithm or any other computerized methodology.

Eligible Retail orders trade for free.

More Information

Please see [SR-IEX-2019-05](#), [SR-IEX-2021-06](#) (including [Amendment 1](#)), and [SR-IEX-2021-16](#) for details.

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