

Options Exercise API

This CME Options Exercise API allows clearing member firms to submit option exercise or abandon instructions.

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This specification includes descriptions of supporting functions, message flows, and interfaces to allow clearing member firms to submit option exercise instructions.

This API is defined in FIXML using FIX 5.0 SP2 with custom CME extensions. Please refer to the [message specification](#) for details. Additional information on FIXML post trade messages is available after logging into the [FIX Protocol site](#). This site assumes that users have a basic understanding of XML and some familiarity with trade reporting and options models.

Submitting an option exercise or abandon instruction is similar to submitting a trade. In the inbound instruction message, the standard FIXML instrument block identifies the option contract, and the following party roles that identify the party owning the position to be exercised or abandoned:

- Firm exchange
- Trading Member Firm ("TMF") ID
- Origin code
- Client account ID (optional)

The client account ID is an optional field. If the exercise or abandon instructions contain an account ID, it will be tracked by that ID. If the instructions do not contain a client account ID, CME Clearing will track them assuming the default account for the firm.

Firms can submit a **new** instruction on the position to overwrite a previously submitted instruction. Similarly, if a firm wishes to **cancel the exercise** or abandon instruction for an account, the firm simply submits an exercise or abandon quantity of zero.

Clearing Member Firms will receive an acknowledgement message for instructions submitted via UI or API indicating whether the instructions are accepted, accepted with warnings, or rejected. The **acknowledgment** message can indicate the following warnings for the instructions submitted:

- The current position does not support the exercise or abandon quantity
- The option is out of the money at the current market price of the underlying (when exercising)

CME Clearing may **reject** the instructions for the following reasons:

- Required or invalid field
- Instrument is not an option or does not exist
- Option ineligible for exercise at this time (e.g. a European-style option prior to expiration day)
- Do Not Exercise is not allowed
- Invalid party data
- Position does not exist (e.g. a position for the instrument must first exist or the message is rejected; if the position is less than the requested quantity, then it could be accepted with a warning.)
- Instruction not allowed at this time of day

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- [Options Exercise API - FIXML Message Specification](#)
- [Options Exercise API - FIXML Message Samples](#)