



DATE: May 19, 2017

TO: MIAX PEARL Members

FROM: MIAX PEARL Regulatory Department

RE: Inclusion of Non-Routable Orders in the Managed Interest Process

The purpose of this Regulatory Circular is to inform MIAX PEARL Members of a proposal to amend Exchange Rule 503, Openings on the Exchange, and Exchange Rule 515, Execution of Orders ([SR-PEARL-2017-22](#)), to allow non-routable orders that cross the ABBO following the conclusion of the Opening Process to be included in the Managed Interest Process, which became operative on Thursday, May 18, 2017.

The proposal amends Exchange Rule 503, Openings on the Exchange, to clarify that, when the System opens a series for trading by disseminating the Exchange's best bid and offer among quotes and orders that exist in the System at that time, orders in the System will be handled at the conclusion of the Opening Process in time sequence, beginning with the order with the oldest time stamp, and may, in whole or in part, be placed on the Book, cancelled, executed, managed (in accordance with Rule 515), or routed (in accordance with Rule 529). Additionally, the proposal amends Exchange Rule 515, Execution of Orders, so that, as amended, when the System opens without an opening transaction, and instead opens by disseminating the Exchange's best bid and offer, non-routable orders then in the System that cross the ABBO will be included in the Managed Interest Process.

Complete details regarding the proposal can be found in the Exchange's rule filing. Further questions may be directed to the Exchange's Regulatory Department at Regulatory@MIAXOptions.com or (609) 897-7309.