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Page 1 of \* 33

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4

File No.\* SR - 2014 - \* 11

Amendment No. (req. for Amendments \*)

Filing by Miami International Securities Exchange, LLC.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant  
to the Securities Exchange Act of 1934

Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
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Section 3C(b)(2) * <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document

**Description**

Provide a brief description of the action (limit 250 characters, required when Initial is checked \*).

Amendment to MIAX Options Fee Schedule.

**Contact Information**

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Brian	Last Name * O'Neill
Title * Vice President and Senior Counsel	
E-mail * boneill@miami-holdings.com	
Telephone * (609) 897-1434	Fax

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date 02/28/2014

Vice President and Senior Counsel

By Brian O'Neill

(Name \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Persona Not Validated - 1369332978188,

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

**Form 19b-4 Information \***

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

**1. Text of the Proposed Rule Change**

(a) Miami International Securities Exchange, LLC (“MIAX” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to adopt a MIAX Market Maker sliding scale for transaction fees.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the proposed Fee Schedule is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

**2. Procedures of the Self-Regulatory Organization**

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the MIAX Board of Directors on December 12, 2013. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the proposed rule change.

Questions and comments on the proposed rule change may be directed to Brian O’Neill, Vice President and Senior Counsel, at 609-897-1434.

**3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

a. Purpose

The Exchange proposes to amend its Fee Schedule to adopt (i) a MIAX Market Maker<sup>3</sup> sliding scale for transaction fees; and (ii) a \$0.02 fee for Mini Option transactions by a MIAX

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> “MIAX Market Maker” for purposes of the proposed sliding scale means any MIAX Market Maker including RMM, LMM, PLMM, DLMM, and DPLMM.

Market Maker. Consistent with this change, the Exchange will delete the existing transaction fees that apply to MIAX Market Makers.

The new sliding scale for MIAX Market Maker transaction fees is based on the substantially similar fees of the Chicago Board Options Exchange, Incorporated (“CBOE”).<sup>4</sup> Specifically, the Exchange proposes to adopt a program to reduce a MIAX Market Maker’s per contract transaction fee based on the number of contracts the MIAX Market Maker trades in a month, based on the following scale:

Tier	Contracts Per Month	Transaction Fee Per Contract
1	1 - 750,000	\$0.15
2	750,001 – 1,500,000	\$0.10
3	1,500,001 - 3,000,000	\$0.05
4	3,000,001+	\$0.03

The sliding scale would apply to all MIAX Market Makers for transactions in all products except Mini Options. A MIAX Market Maker’s initial \$0.15 per contract rate will be reduced if the MIAX Market Maker reaches the volume thresholds set forth in the sliding scale in a month. As a MIAX Market Maker’s monthly volume increases, its per contract transaction fee would decrease. Under the sliding scale, the first 750,000 contracts traded in a month would be assessed at \$0.15 per contract. The next 750,000 contracts traded (up to 1,500,000 total contracts

<sup>4</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78). See also CBOE Fees Schedule, p. 3.

traded) would be assessed at \$0.10 per contract. The next 1,500,000 contracts traded (up to 3,000,000 total contracts traded) would be assessed at \$0.05 per contract. All contracts above 3,000,000 contracts traded in a month would be assessed at \$0.03 per contract. The Exchange will aggregate the trading activity of separate MIAX Market Maker firms for the purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A.<sup>5</sup>

The Exchange believes the proposed sliding scale is objective in that the fee reductions are based solely on reaching stated volume thresholds. The Exchange believes that the implementation of a tiered fee schedule may incent firms to display their orders on the Exchange and increase the volume of contracts traded here.

As mentioned above, the Exchange notes that the proposed sliding fee scale for MIAX Market Makers structured on contract volume thresholds is based on the substantially similar fees of the CBOE.<sup>6</sup> The Exchange also notes that a number of other exchanges have tiered fee schedules which offer different transaction fee rates depending on the monthly ADV of liquidity providing executions on their facilities.<sup>7</sup>

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<sup>5</sup> A MIAX Market Maker's monthly contract volume would be determined at the firm affiliated level. E.g., if five MIAX Market Maker individuals are affiliated with member firm ABC as reflected by Exchange records for the entire month, all the volume from those five individual MIAX Market Makers will count towards firm ABC's sliding scale transaction fees for that month. CBOE also aggregates volume of market maker firms with at least 75% common ownership between the firms. See Securities Exchange Act Release No. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111). See also CBOE Fees Schedule, p. 3.

<sup>6</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

<sup>7</sup> See, e.g., International Securities Exchange, LLC, Schedule of Fees, Section VI, C; NASDAQ Options Market, Chapter XV, Section 2.

In addition, the Exchange proposes to assess MIAX Market Makers a \$0.02 fee for Mini Option transactions. The new transaction fee for Mini Options is identical to that charged by CBOE.<sup>8</sup> The Exchange notes that it is difficult to compare the proposed \$0.02 amount to the amount assessed to MIAX Market Makers for standard options transactions, as that amount can differ depending on which tier each MIAX Market-Maker reaches in the MIAX Market Maker sliding scale (though it is less than 1/10th the fee assessed at the first tier of the MIAX Market Maker sliding scale for standard options transactions). The Exchange wishes to assess a \$0.02 fee to MIAX Market Makers in order to encourage them to quote often and aggressively in Mini Options.

The Exchange notes that Mini Options have a smaller exercise and assignment value due to the reduced number of shares they deliver as compared to standard option contracts. Despite the smaller exercise and assignment value of a Mini Option, the cost to the Exchange to process quotes and orders in Mini Options, perform regulatory surveillance and retain quotes and orders for archival purposes is the same as for a standard contract. This leaves the Exchange in a position of trying to strike the right balance of fees applicable to Mini Options – too low and the costs of processing Mini Option quotes and orders will necessarily cause the Exchange to either raise fees for everyone or only for participants trading Mini Options; too high and participants may be deterred from trading Mini Options, leaving the Exchange less able to recoup costs associated with development of the product, which is designed to offer investors a way to take less risk in high-dollar securities. The Exchange, therefore, believes that adopting fees for Mini Options that are in some cases lower than fees for standard contracts, is appropriate, not

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<sup>8</sup> See Securities Exchange Act Release No. 69258 (March 29, 2013), 78 FR 69258 (April 4, 2013) (SR-CBOE-2013-038). See also CBOE Fees Schedule, p. 2.

unreasonable, not unfairly discriminatory and not burdensome on competition between participants, or between the Exchange and other exchanges in the listed options marketplace.

Consistent with the adoption of the new sliding fee scale and the \$0.02 fee for transactions in Mini Options for MIAX Market Makers, the Exchange proposes to delete the existing transaction fees that currently apply to MIAX Market Makers. Specifically, the Exchange will no longer charge: (i) RMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; (ii) LMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; (iii) DLMMs and PLMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; and (iv) DPLMMs \$0.08 per contract for standard options or \$0.008 for Mini Options. The Exchange notes that the new sliding scale for MIAX Market Makers will increase transaction fees for all Market Makers for the first 1,500,000 contracts traded per month in standard option contracts. The Exchange also notes that the new Mini Option fee for MIAX Market Makers will increase transaction fees for all Market Makers in Mini Options.

The proposed changes will become operative on March 1, 2014.

b. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act<sup>9</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>10</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The proposed volume based discount fee structure is not discriminatory in that all MIAX Market Makers are eligible to submit (or not submit) liquidity, and may do so at their discretion in the daily volumes they choose during the course of the billing period. All similarly situated

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<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(4).

MIAX Market Makers are subject to the same fee structure, and access to the Exchange is offered on terms that are not unfairly discriminatory. Volume based discounts have been widely adopted by options and equities markets, and are equitable because they are open to all MIAX Market Makers on an equal basis and provide discounts that are reasonably related to the value of an exchange's market quality associated with higher volumes. The proposed fee levels and volume thresholds are reasonably designed to be comparable to those of other options exchanges and to attract additional liquidity and order flow to the Exchange.

The Exchange believes that the proposal to assess MIAX Market Makers a \$0.02 fee for Mini Option transactions is reasonable. It is difficult to compare the proposed \$0.02 amount to the amount assessed to MIAX Market Makers for standard options transactions, as that amount can differ depending on which tier each MIAX Market Maker reaches in the MIAX Market Maker sliding scale. However, \$0.02 is less than 1/10<sup>th</sup> the fee assessed at the first tier of the MIAX Market Maker sliding scale for standard options transactions. The Exchange believes that these MIAX Market Maker Mini Option fees are equitable and not unfairly discriminatory for a number of reasons. First, they will apply equally to all MIAX Market Makers. Second, the Exchange believes that it is equitable and not unfairly discriminatory to assess lower fee amounts to MIAX Market Makers than to some other market participants because MIAX Market Makers have obligations, such as quoting obligations, that other market participants do not possess. Further, these lower fees are intended to encourage Market Makers to quote aggressively and more often, which provides more trading opportunities for all market participants.

#### **4. Self-Regulatory Organization's Statement on Burden on Competition**

MIAX does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The



Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees in a manner that encourages market participants to provide liquidity and to send order flow to the Exchange.

**5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

No written comments were either solicited or received.

**6. Extension of Time Period for Commission Action**

Not applicable.

**7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

Pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>11</sup> and Rule 19b-4(f)(2) thereunder<sup>12</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

**8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

The new sliding scale for MIAX Market Maker transaction fees is based on the similar fees of CBOE.<sup>13</sup> The proposed transaction fees for each tier in the MIAX Market Maker sliding

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<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>12</sup> 17 CFR 240.19b-4.

<sup>13</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 69258 (March 29, 2013), 78 FR 69258 (April 4, 2013) (SR-CBOE-2013-038); 71295 (January

scale are similar to that of CBOE, however with slightly lower transaction fees for tier 1. The Exchange also proposes to have 4 tiers instead of the 5 tiers for CBOE. In addition, since at this time the Exchange has less total transaction volume than CBOE, the Exchange's proposed volume thresholds are set lower than the corresponding volume thresholds found in the CBOE fees schedule.

**9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

Not applicable.

**10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

Not applicable.

**11. Exhibits**

1. Notice of proposed rule for publication in the Federal Register.

5. Applicable Section of the MIAX Fee Schedule

**EXHIBIT 1****SECURITIES AND EXCHANGE COMMISSION**  
(Release No. 34- ; File No. SR-MIAX-2014-11)

February \_\_, 2014

**Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Amend Its Fee Schedule to Adopt a MIAX Market Maker Sliding Scale for Transaction Fees**

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 28, 2014, Miami International Securities Exchange LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange is filing a proposal to adopt a MIAX Market Maker sliding scale for transaction fees.

The text of the proposed rule change is available on the Exchange’s website at [http://www.miaxoptions.com/filter/wotitle/rule\\_filing](http://www.miaxoptions.com/filter/wotitle/rule_filing), at MIAX’s principal office, and at the Commission’s Public Reference Room.

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Fee Schedule to adopt (i) a MIAX Market Maker<sup>3</sup> sliding scale for transaction fees; and (ii) a \$0.02 fee for Mini Option transactions by a MIAX Market Maker. Consistent with this change, the Exchange will delete the existing transaction fees that apply to MIAX Market Markers.

The new sliding scale for MIAX Market Maker transaction fees is based on the substantially similar fees of the Chicago Board Options Exchange, Incorporated (“CBOE”).<sup>4</sup> Specifically, the Exchange proposes to adopt a program to reduce a MIAX Market Maker’s per contract transaction fee based on the number of contracts the MIAX Market Maker trades in a month, based on the following scale:

Tier	Contracts Per Month	Transaction Fee Per Contract
1	1 - 750,000	\$0.15
2	750,001 – 1,500,000	\$0.10
3	1,500,001 - 3,000,000	\$0.05

<sup>3</sup> “MIAX Market Maker” for purposes of the proposed sliding scale means any MIAX Market Maker including RMM, LMM, PLMM, DLMM, and DPLMM.

<sup>4</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78). See also CBOE Fees Schedule, p. 3.

4	3,000,001+	\$0.03
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The sliding scale would apply to all MIAX Market Makers for transactions in all products except Mini Options. A MIAX Market Maker's initial \$0.15 per contract rate will be reduced if the MIAX Market Maker reaches the volume thresholds set forth in the sliding scale in a month. As a MIAX Market Maker's monthly volume increases, its per contract transaction fee would decrease. Under the sliding scale, the first 750,000 contracts traded in a month would be assessed at \$0.15 per contract. The next 750,000 contracts traded (up to 1,500,000 total contracts traded) would be assessed at \$0.10 per contract. The next 1,500,000 contracts traded (up to 3,000,000 total contracts traded) would be assessed at \$0.05 per contract. All contracts above 3,000,000 contracts traded in a month would be assessed at \$0.03 per contract. The Exchange will aggregate the trading activity of separate MIAX Market Maker firms for the purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A.<sup>5</sup>

The Exchange believes the proposed sliding scale is objective in that the fee reductions are based solely on reaching stated volume thresholds. The Exchange believes that the implementation of a tiered fee schedule may incent firms to display their orders on the Exchange and increase the volume of contracts traded here.

<sup>5</sup> A MIAX Market Maker's monthly contract volume would be determined at the firm affiliated level. E.g., if five MIAX Market Maker individuals are affiliated with member firm ABC as reflected by Exchange records for the entire month, all the volume from those five individual MIAX Market Makers will count towards firm ABC's sliding scale transaction fees for that month. CBOE also aggregates volume of market maker firms with at least 75% common ownership between the firms. See Securities Exchange Act Release No. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111). See also CBOE Fees Schedule, p. 3.

As mentioned above, the Exchange notes that the proposed sliding fee scale for MIAX Market Makers structured on contract volume thresholds is based on the substantially similar fees of the CBOE.<sup>6</sup> The Exchange also notes that a number of other exchanges have tiered fee schedules which offer different transaction fee rates depending on the monthly ADV of liquidity providing executions on their facilities.<sup>7</sup>

In addition, the Exchange proposes to assess MIAX Market Makers a \$0.02 fee for Mini Option transactions. The new transaction fee for Mini Options is identical to that charged by CBOE.<sup>8</sup> The Exchange notes that it is difficult to compare the proposed \$0.02 amount to the amount assessed to MIAX Market Makers for standard options transactions, as that amount can differ depending on which tier each MIAX Market-Maker reaches in the MIAX Market Maker sliding scale (though it is less than 1/10th the fee assessed at the first tier of the MIAX Market Maker sliding scale for standard options transactions). The Exchange wishes to assess a \$0.02 fee to MIAX Market Makers in order to encourage them to quote often and aggressively in Mini Options.

The Exchange notes that Mini Options have a smaller exercise and assignment value due to the reduced number of shares they deliver as compared to standard option contracts. Despite the smaller exercise and assignment value of a Mini Option, the cost to the Exchange to process quotes and orders in Mini Options, perform regulatory surveillance and retain quotes and orders for archival purposes is the same as for a standard contract. This leaves the Exchange in a

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<sup>6</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

<sup>7</sup> See, e.g., International Securities Exchange, LLC, Schedule of Fees, Section VI, C; NASDAQ Options Market, Chapter XV, Section 2.

<sup>8</sup> See Securities Exchange Act Release No. 69258 (March 29, 2013), 78 FR 69258 (April 4, 2013) (SR-CBOE-2013-038). See also CBOE Fees Schedule, p. 2.

position of trying to strike the right balance of fees applicable to Mini Options – too low and the costs of processing Mini Option quotes and orders will necessarily cause the Exchange to either raise fees for everyone or only for participants trading Mini Options; too high and participants may be deterred from trading Mini Options, leaving the Exchange less able to recoup costs associated with development of the product, which is designed to offer investors a way to take less risk in high-dollar securities. The Exchange, therefore, believes that adopting fees for Mini Options that are in some cases lower than fees for standard contracts, is appropriate, not unreasonable, not unfairly discriminatory and not burdensome on competition between participants, or between the Exchange and other exchanges in the listed options marketplace.

Consistent with the adoption of the new sliding fee scale and the \$0.02 fee for transactions in Mini Options for MIAX Market Makers, the Exchange proposes to delete the existing transaction fees that currently apply to MIAX Market Markers. Specifically, the Exchange will no longer charge: (i) RMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; (ii) LMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; (iii) DLMMs and PLMMs \$0.08 per contract for standard options or \$0.008 for Mini Options; and (iv) DPLMMs \$0.08 per contract for standard options or \$0.008 for Mini Options. The Exchange notes that the new sliding scale for MIAX Market Makers will increase transaction fees for all Market Markers for the first 1,500,000 contracts traded per month in standard option contracts. The Exchange also notes that the new Mini Option fee for MIAX Market Makers will increase transaction fees for all Market Makers in Mini Options.

The proposed changes will become operative on March 1, 2014.

## 2. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act<sup>9</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>10</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The proposed volume based discount fee structure is not discriminatory in that all MIAX Market Makers are eligible to submit (or not submit) liquidity, and may do so at their discretion in the daily volumes they choose during the course of the billing period. All similarly situated MIAX Market Makers are subject to the same fee structure, and access to the Exchange is offered on terms that are not unfairly discriminatory. Volume based discounts have been widely adopted by options and equities markets, and are equitable because they are open to all MIAX Market Makers on an equal basis and provide discounts that are reasonably related to the value of an exchange's market quality associated with higher volumes. The proposed fee levels and volume thresholds are reasonably designed to be comparable to those of other options exchanges and to attract additional liquidity and order flow to the Exchange.

The Exchange believes that the proposal to assess MIAX Market Makers a \$0.02 fee for Mini Option transactions is reasonable. It is difficult to compare the proposed \$0.02 amount to the amount assessed to MIAX Market Makers for standard options transactions, as that amount can differ depending on which tier each MIAX Market Maker reaches in the MIAX Market Maker sliding scale. However, \$0.02 is less than 1/10<sup>th</sup> the fee assessed at the first tier of the MIAX Market Maker sliding scale for standard options transactions. The Exchange believes that these MIAX Market Maker Mini Option fees are equitable and not unfairly discriminatory for a

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<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(4).



number of reasons. First, they will apply equally to all MIAX Market Makers. Second, the Exchange believes that it is equitable and not unfairly discriminatory to assess lower fee amounts to MIAX Market Makers than to some other market participants because MIAX Market Makers have obligations, such as quoting obligations, that other market participants do not possess. Further, these lower fees are intended to encourage Market Makers to quote aggressively and more often, which provides more trading opportunities for all market participants.

**B. Self-Regulatory Organization's Statement on Burden on Competition**

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees in a manner that encourages market participants to provide liquidity and to send order flow to the Exchange.

**C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

Written comments were neither solicited nor received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>11</sup> At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or

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<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act.

Comments may be submitted by any of the following methods:

##### Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
- or
- Send an e-mail [to rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-MIAX-2014-11 on the subject line.

##### Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MIAX-2014-11. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F

Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-MIAX-2014-11 and should be submitted on or before [insert date 21 days from publication in the Federal Register]. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>12</sup> 17 CFR 200.30-3(a)(12).

## Exhibit 5

New text is underlined;  
Deleted text is in [brackets]

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## MIAX Options Fee Schedule

### 1) Transaction Fees

#### a) Exchange Fees

##### i) Market Maker Transaction Fees[

Type of MIAX Market Maker	Standard Options Transaction Fee (per executed contract)	Mini Options Transaction Fee (per executed contract)	These fees will apply to all option classes traded on MIAX
<i>Registered Market Maker</i>	<b>\$ 0.08</b>	<b>\$ 0.008</b>	See MIAX Rule 100 for the definition of Registered Market Maker ("RMM"). This fee is assessed to an RMM when the RMM is a party to a transaction.
<i>Lead Market Maker</i>	<b>\$ 0.08</b>	<b>\$ 0.008</b>	See MIAX Rule 100 for the definition of Lead Market Maker ("LMM"). This fee is assessed to an LMM when the LMM is a party to a transaction.
<i>Directed Order—Lead Market Maker</i>	<b>\$ 0.08</b>	<b>\$ 0.008</b>	This fee is assessed to an LMM when the LMM is a party to a transaction in one of its assigned option classes and the transaction being allocated to the LMM is the result of an order that has been directed to the LMM.
<i>Primary Lead Market Maker</i>	<b>\$ 0.08</b>	<b>\$ 0.008</b>	See MIAX Rule 100 for the definition of Primary Lead Market Maker ("PLMM"). This fee is assessed to a PLMM when the PLMM is a party to a transaction.
<i>Directed Order—Primary Lead Market Maker</i>	<b>\$ 0.08</b>	<b>\$ 0.008</b>	This fee is assessed to a PLMM when the PLMM is a party to a transaction in one of its assigned option classes and the transaction being allocated to the PLMM is the result of an order that has been directed to the PLMM.]

**Market Maker Sliding Scale**

<u>Origin</u>	<u>Tier</u>	<u>Contracts Per Month</u>	<u>Transaction Fee Per Contract</u>
<b>All MIAX Market Makers<sup>1</sup></b>	<b><u>1</u></b>	<b><u>1 - 750,000</u></b>	<b><u>\$0.15</u></b>
	<b><u>2</u></b>	<b><u>750,001 – 1,500,000</u></b>	<b><u>\$0.10</u></b>
	<b><u>3</u></b>	<b><u>1,500,001 - 3,000,000</u></b>	<b><u>\$0.05</u></b>
	<b><u>4</u></b>	<b><u>3,000,001+</u></b>	<b><u>\$0.03</u></b>

The Market Maker Sliding Scale applies to MIAX Market Maker (RMM, LMM, DLMM, PLMM, DPLMM) transaction fees in all products except mini-options. MIAX Market Makers will be assessed a \$0.02 per executed contract fee for transactions in mini-options. A MIAX Market Maker's standard per contract transaction fee shall be reduced to the fees shown on the sliding scale as the MIAX Market Maker reaches the volume thresholds shown on the sliding scale in a month. The Exchange will aggregate the trading activity of separate MIAX Market Maker firms for purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A.

<sup>1</sup> See MIAX Rule 100 for the definition of Registered Market Maker ("RMM"), Primary Lead Market Maker ("PLMM"), Lead Market Maker ("LMM"). Directed Order Lead Market Maker ("DLMM") and Directed Primary Lead Market Maker ("DPLMM") is a party to a transaction being allocated to the LMM or PLMM and is the result of an order that has been directed to the LMM or PLMM.

## ii) Other Market Participant Transaction Fees

Types of Other Market Participants	Standard Options Transaction Fee (per executed contract)	Mini Options Transaction Fee (per executed contract)	These fees will apply to all option classes traded on MIAX
<i>Priority Customer</i> <sup>[1]2</sup>	\$ 0.00	\$ 0.000	There is no fee assessed to an Electronic Exchange Member (an "EEM," as defined in MIAX Rule 100) that enters an order that is executed for the account of a Priority Customer.
<i>Public Customer that is Not a Priority Customer</i>	\$ 0.25	\$ 0.025	This fee is assessed to an EEM that enters an order that is executed for the account of a Public Customer <sup>[2]3</sup> that does not meet the criteria for designation as a Priority Customer. This fee will also be charged to an EEM that enters an order for the account of a Public Customer that has elected to be treated as a Voluntary Professional. <sup>[3]4</sup>
<i>Non-MIAX Market Maker</i>	\$ 0.45	\$ 0.045	This fee is assessed to an EEM that enters an order that is executed for the account of a non-MIAX market maker. A non-MIAX market maker is a market maker registered as such on another options exchange.
<i>Non-Member Broker-Dealer</i>	\$ 0.30	\$ 0.03	This fee is assessed to an EEM that enters an order that (i) is executed for the account of a non-Member Broker-Dealer, and (ii) is identified by the EEM for clearing in the Options Clearing Corporation ("OCC") "customer" range. A non-Member Broker-Dealer is a broker-dealer that is not a member of the OCC, and that is not registered as a

<sup>[1]2</sup> The term "Priority Customer" means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). See Exchange Rule 100.

<sup>[2]3</sup> The term "Public Customer" means a person that is not a broker or dealer in securities. See Exchange Rule 100.

<sup>[3]4</sup> The term "Voluntary Professional" means any Public Customer that elects, in writing, to be treated in the same manner as a broker or dealer in securities for purposes of Rule 514, as well as the Exchange's schedule of fees. See Exchange Rule 100.

			Member at MIAX or another options exchange.
<i>Firm</i>	\$ 0.25	\$ 0.025	This fee is assessed to an EEM that enters an order that is executed for an account identified by the EEM for clearing in the OCC "Firm" range.

### iii) Priority Customer Rebate Program

Origin	Tier	Percentage Thresholds of National Customer Volume in Multiply-Listed Options Classes Listed on MIAX (Monthly)	Per Contract Credit
<i>Priority Customer</i>	1	0.00% - 0.25%	\$0.00
	2	Above 0.25% - 0.35%	\$0.10
	3	Above 0.35% - 0.75%	\$0.15
	4	Above 0.75% - 1.50%	\$0.17
	5	Above 1.50%	\$0.18

MIAX shall credit each Member the per contract amount resulting from each Priority Customer order transmitted by that Member which is executed electronically on the Exchange in all multiply-listed option classes (excluding mini-options and executions related to contracts that are routed to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan referenced in MIAX Rule 1400), provided the Member meets certain percentage thresholds in a month as described in the Priority Customer Rebate Program table. This payment will be calculated from the first executed contract at the applicable threshold per contract credit with rebate payments made at the highest achieved volume tier for each contract traded in that month. The percentage thresholds are calculated based on the percentage of national customer volume in multiply-listed options classes listed on MIAX entered and executed over the course of the month. Volume will be recorded for and credits will be delivered to the Member Firm that submits the order to MIAX. MIAX will aggregate the contracts resulting from Priority Customer orders transmitted and executed electronically on MIAX from affiliated Members for purposes of the thresholds described in the Priority Customer Rebate Program table, provided there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. In the event of a MIAX System outage or other interruption of electronic trading on MIAX, the Exchange will adjust the national customer volume in multiply-listed options for the duration of the outage. A Member may request to receive its credit under the Priority Customer Rebate Program as a separate direct payment.

## b) Marketing Fee

MIAX will assess a Marketing Fee to all Market Makers for contracts, including mini options, they execute in their assigned classes when the contra-party to the execution is a Priority Customer.

Members that are assigned as PLMMs and LMMs will have a Marketing Fee “pool” into which the Exchange will deposit the applicable per-contract Marketing Fee. For orders directed to PLMMs and certain qualifying LMMs, applicable Marketing Fees are allocated to the PLMM’s or LMM’s Marketing Fee “pool.” To qualify for a Marketing Fee allocation for an applicable month, an LMM must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month. For non-directed orders and orders directed to non-qualifying LMMs, applicable Marketing Fees are allocated to the PLMM’s Marketing Fee “pool.” All Market Makers that participated in such transactions will pay the applicable Marketing Fee to the Exchange, which will allocate such funds to the Member that controls the distribution of the Marketing Fee “pool.” Each month the Member will submit written instructions to MIAX describing how MIAX is to distribute the Marketing Fees in the “pool” to Electronic Exchange Members identified by the Member.

Undispersed Marketing Fees will be reimbursed to Market Makers that contributed to the “pool” based upon their pro-rata portion of the entire amount of Marketing Fees collected on a three month rolling schedule.

Amount of Marketing Fee Assessed	Option Classes
<b>\$0.70</b> (per contract)	Transactions in Standard Option Classes that are not in the Penny Pilot Program
<b>\$0.25</b> (per contract)	Transactions in Standard Option Classes that are in the Penny Pilot Program (a List of those Standard Option Classes in the Penny Pilot Program is available on the MIAX Website)
<b>\$0.070</b> (per contract)	Transactions in Mini Options where the corresponding Standard Option is not in the Penny Pilot Program
<b>\$0.025</b> (per contract)	Transactions in Mini Options where the corresponding Standard Option is in the Penny Pilot Program (a List of those Standard Option Classes in the Penny Pilot Program is available on the MIAX Website)

## c) Fees and Rebates for Customer Orders Routed to Another Options Exchange

MIAX will assess a Routing Fee to market participants on all Public Customer orders routed to and executed on an away market that is equal to the amount charged by the away market to which such orders were routed and executed. MIAX will also pay any rebate offered by an away market. Such market participants will also be assessed a Fixed Fee Surcharge by MIAX, which is added to the fee charged, or netted against the rebate paid, by an away market.



**Fixed Fee Surcharge**

\$0.10 per contract in addition to the actual transaction fee assessed, or less the rebate paid, by the away exchange. The Fixed Fee Surcharge applies to both Mini and Standard Option contracts.

**2) Regulatory Fees****a) Sales Value Fee**

**Current Fee Rate: Defined amount per \$1,000,000 of the aggregate dollar amount of covered sales.**

The Sales Value Fee<sup>[4]5</sup> is assessed by the Exchange to each Member for sales on the Exchange for which the Exchange is obligated to pay a fee to the SEC pursuant to Section 31 of the Exchange Act. The Sales Value Fee is equal to the Section 31 fee rate multiplied by the Member's aggregate dollar amount of covered sales resulting from options transactions occurring on the Exchange during any computational period. To the extent there may be any excess monies collected under this rule, the Exchange may retain those monies to help fund general operating expenses. The sales transactions to which the fee applies are sales of options (other than options on a security index) and the sales of securities resulting from the exercise of physical-delivery options.

Sales Value Fee	Per Executed Sell Contract side and Sales of Securities Resulting from the Exercise of Physical Delivery Options (per million dollars in notional value)
All Classes	Rate set annually and sometimes adjusted semi-annually by the SEC. See <a href="http://www.sec.gov/divisions/marketreg/sec31info.htm">http://www.sec.gov/divisions/marketreg/sec31info.htm</a> for the current rate

**b) Options Regulatory Fee**

The per-contract Options Regulatory Fee ("ORF") is assessed by MIAX to each MIAX Member for all options transactions, including Mini Options, executed and cleared, or simply cleared by the Member that are cleared by OCC in the "customer" range, regardless of the exchange on which the transaction occurs. The ORF is collected indirectly from Members through their clearing firms by OCC on behalf of MIAX. The Exchange may only increase or decrease the Options Regulatory Fee semi-annually, and any such fee change will be effective on the first business day of February or August. The Exchange will notify participants via a Regulatory Circular of any change in the amount of the fee at least 30 calendar days prior to the effective date of the change.

Options Regulatory Fee (ORF)	Per Executed Contract side
All Classes	\$0.0040
All Classes as of April 1, 2014	\$0.0045

<sup>[4]5</sup> For a detailed description of the Sales Value Fee, see MIAX Rule 1207

**c) Web CRD Fees**

The following fees will be collected and retained by FINRA through the Web Central Registration Depository (CRD<sup>SM</sup>) registration system for the registration of associated persons of Electronic Exchange Members and Market Maker organizations that are not also FINRA members:

**GENERAL REGISTRATION FEES:**

\$100.00	FINRA CRD Processing Fee <sup>[5]6</sup>
\$110.00	FINRA Disclosure Processing Fee <sup>[6]Z</sup> (Form U4, Form U5, Form BD & amendments)
\$45.00	FINRA Annual System Processing Fee assessed only during Renewals

**FINRA Fingerprint Card Processing Fees:**

\$29.50	First card submission (electronic)
\$44.50	First card submission (hard copy)
\$15.00	Second card submission (electronic)
\$30.00	Second card submission (hard copy)
\$29.50	Third card submission (electronic)
\$44.50	Third card submission (hard copy)
\$30.00	FINRA Processing Fee for Fingerprint Results Submitted by Other SROs
\$00.00	MIAX Initial Registration Fee (Individual)
\$00.00	MIAX Annual Individual Renewal Fee
\$00.00	MIAX Transfer Fee
\$00.00	MIAX Termination Fee
\$00.00	MIAX Broker Dealer Registration Fee
\$00.00	MIAX Broker Dealer Renewal Fee

**Continuing Education Fees<sup>[7]8</sup>**

\$100.00	Continuing Education Fee for All Registrations except the Series 56
\$60.00	Continuing Education Fee for Series 56

**Qualification Examination Fee**

\$195.00	Series 56 Examination Fee
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<sup>[5]6</sup> For all Initial, Transfer, Relicense, and Dual Registration Form U4 filings. This fee is assessed when a non-FINRA firm (i.e., a firm that is not a member of FINRA) submits its first Initial, Transfer, Relicense, or Dual Registration Form U4 filing on behalf of a registered person.

<sup>[6]Z</sup> For all registration, transfer, or termination filings with new or amended disclosure information or that require certification, as well as any amendment to disclosure information.

<sup>[7]8</sup> The session fee will be assessed to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to MIAX Rule 1304.

### 3) Membership Fees

#### a) Application for MIAX Membership (One-Time Fee)

Type of Membership	Application Fee
Electronic Exchange Member	\$2,500.00
Market Maker	\$3,000.00

#### b) Monthly Trading Permit Fee

MIAX will issue Trading Permits<sup>[8]9</sup> to Members that confer the ability to transact on MIAX.

Type of Trading Permit	Monthly MIAX Trading Permit Fee
Electronic Exchange Member	\$1,000.00
Market Maker (includes RMM, LMMM, PLMM)	\$4,000.00 for MM Assignment in up to 100 Classes \$5,500.00 for MM Assignment in up to 250 Classes \$7,000.00 for MM Assignment in all Classes listed on MIAX

For the calculation of the monthly MM Trading Permit Fees, the number of classes is defined as the greatest number of classes the MM was assigned to quote in on any given day within the calendar month. Members receiving Trading Permits during a particular calendar month will be assessed Trading Permit Fees according to the above schedule, except that the calculation of the Trading Permit fee for the first month in which the Trading Permit is issued will be pro-rated based on the number of trading days on which the Trading Permit was in effect divided by the total number of trading days in that month multiplied by the monthly rate.

<sup>[8]9</sup> For a complete description of MIAX Trading Permits, see MIAX Rule 200.

#### 4) Testing and Certification Fees

##### a) Member Application Programming Interface (API) Testing and Certification (One-Time Fee)

Type of Member	API Testing and Certification Fee
Electronic Exchange Member	\$1,000.00
Market Maker	\$2,500.00
Administrative Information Subscriber ("AIS") <sup>[9]10</sup>	\$1,000.00

##### b) Non-Member API Testing and Certification (One-Time Fee)

Non-Member	API Testing and Certification
Third Party Vendors <sup>[10]11</sup> and Service Bureaus <sup>[11]12</sup>	\$5,000.00
AIS	\$1,000.00

##### c) Member Network Testing and Certification Fee (One-Time Fee)

Member Network Connectivity Testing and Certification	1 Gigabit Per Firm	10 Gigabit Per Firm
Individual Firm	\$1,000.00	\$4,000.00

##### d) Non-Member Network Testing and Certification Fee (One-Time Fee)

Non-Member Network Connectivity Testing and Certification	1 Gigabit Per Connection	10 Gigabit Per Connection
Service Bureau/Extranet Provider <sup>[12]13</sup> – One Connection	\$2,000.00	\$6,000.00

<sup>[9]10</sup> An AIS is a non-Market Maker that connects with the MIAX System for purposes of receiving administrative information from the MIAX System.

<sup>[10]11</sup> Third Party Vendors are subscribers of MIAX's market and other data feeds, which they in turn use for redistribution purposes.

<sup>[11]12</sup> A Service Bureau is a technology provider that offers and supplies technology and technology services to a trading firm that does not have its own proprietary system.

<sup>[12]13</sup> An Extranet Provider is a technology provider that connects with MIAX systems and in turn provides such connectivity to MIAX participants that do not connect directly with MIAX.

Service Bureau/Extranet Provider – For each additional connection	\$1,000.00	\$4,000.00
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## 5) System Connectivity Fees

### a) Monthly Member Network Connectivity Fee

Member Network Connectivity Per Month	1 Gigabit Per Connection	10 Gigabit Per Connection
Individual Firm	\$1,000.00	\$5,000.00

The Member Network Connectivity fee will be pro-rated for new Members based on the number of trading days on which the Member used the connectivity in its first month of trading on or receiving information by way of such connectivity with MIAX, divided by the total number of trading days in such month multiplied by the monthly rate.

### b) Monthly Non-Member Network Connectivity Fee

Non-Member Network Connectivity Per Month	1 Gigabit Per Connection	10 Gigabit Per Connection
Service Bureau/Extranet Provider	\$2,000.00	\$10,000.00
AIS	\$1,000.00	\$5,000.00

The non-Member Network Connectivity fee will be pro-rated for new non-Members connecting to the MIAX System based on the number of trading days on which the non-Member used the connectivity in its first month of trading on or (in the case of an AIS, receiving administrative information by way of such connectivity with MIAX, divided by the total number of trading days in such month multiplied by the monthly rate.

### c) Pass-Through of External Connectivity Fees

MIAX will assess External Connectivity fees to Members and non-Members that establish connections with MIAX through a third-party. Fees assessed to MIAX by third-party external vendors on behalf of a Member or non-Member connecting to MIAX (including cross-connects),<sup>[13]14</sup> will be passed through to the Member or non-Member. The External Connectivity fees passed through can include one-time set-up fees, monthly charges, and other fees charged to MIAX by a third-party for the benefit of a Member or non-Member.

<sup>[13]14</sup> A “cross-connect” occurs when the affected third-party system is sited at the same data center where MIAX systems are sited, and the third-party connects to MIAX through the data center, rather than connecting directly to MIAX outside of the data center.

**d) Port Fees****i) FIX Port Fees**

MIAX will assess monthly Financial Information Exchange ("FIX") Port<sup>[14]15</sup> Fees on Members based upon the number of FIX Ports used by the Member submitting orders to MIAX.

<b>FIX Port Fees</b>	<b>MIAX Monthly Port Fees</b> Includes Connectivity to the Primary, Secondary and Disaster Recovery Data Centers <sup>[15]16</sup>
1st FIX Port	\$250 per month
FIX Ports 2 through 5	\$150 per month per port
Additional FIX Ports over 5	\$50 per month per port

<sup>[14]15</sup> A FIX Port is an interface with MIAX systems that enables the Port user (typically an Electronic Exchange Member or a Market Maker) to submit orders electronically to MIAX.

<sup>[15]16</sup> MIAX has primary and secondary data centers and a disaster recovery center. Each port provides access to all three data centers for a single fee.

**ii) MEI Port Fees**

MIAX will assess monthly MIAX Express Interface (“MEI”)<sup>[16]17</sup> Port fees on Market Makers based upon the number of MIAX matching engines<sup>[17]18</sup> used by the Market Maker. MEI Port users will be allocated two (2) Full Service MEI Ports<sup>[18]19</sup> and two (2) Limited Service MEI Ports<sup>[19]20</sup> per matching engine to which they connect. An MEI Port provides a Market Maker with the connectivity necessary to submit electronic quotes to the MIAX System.

<b>MEI Fees</b>	<b>MIAX Monthly MEI Fees</b> Includes MEI Ports at the Primary, Secondary and Disaster Recovery Data Centers
Market Maker’s 1st Engine	\$1,000 per month for 2 full service ports and 2 limited service ports for first engine
Market Maker’s Engines 2 through 5	\$500 per month for 2 full service ports and 2 limited service ports for each engine
Market Maker’s Engines over 5	\$250 per month for 2 full service ports and 2 limited service ports for each engine
Additional Limited Service MEI Ports	\$10 per month per additional limited service port for each engine <sup>[20]21</sup>

<sup>[16]17</sup> MIAX Express Interface is a connection to MIAX systems that enables Market Makers to submit electronic quotes to MIAX.

<sup>[17]18</sup> A “matching engine” is a part of the MIAX electronic system that processes options quotes and trades on a symbol-by-symbol basis. Some matching engines will process option classes with multiple root symbols, and other matching engines will be dedicated to one single option root symbol (for example, options on SPY will be processed by one single matching engine that is dedicated only to SPY). A particular root symbol may only be assigned to a single designated matching engine. A particular root symbol may not be assigned to multiple matching engines.

<sup>[18]19</sup> Full Service MEI Ports provide Market Makers with the ability to send Market Maker quotes, eQuotes, and quote purge messages to the MIAX System. Full Service MEI Ports are also capable of receiving administrative information. Market Makers are limited to two Full Service MEI Ports per matching engine.

<sup>[19]20</sup> Limited Service MEI Ports provide Market Makers with the ability to send eQuotes and quote purge messages only, but not Market Maker Quotes, to the MIAX System. Limited Service MEI Ports are also capable of receiving administrative information. Market Makers initially receive two Limited Service MEI Ports per matching engine.

<sup>[20]21</sup> Market Makers are limited to two additional Limited Service MEI Ports per matching engine, for a total of four per matching engine.

**iii) Clearing Trade Drop Port Fees**

Description	Monthly Fee
Real-Time CTD Information	\$0.0030 per executed contract side

CTD provides Exchange members with real-time clearing trade updates. The updates include the member's clearing trade messages on a low latency, real-time basis. The trade messages are routed to a member's connection containing certain information. The information includes, among other things, the following: (i) trade date and time; (ii) symbol information; (iii) trade price/size information; (iv) member type (for example, and without limitation, Market Maker, Electronic Exchange Member, Broker-Dealer); and (v) Exchange Member Participant Identifier ("MPID") for each side of the transaction, including clearing member MPID.

**iv) AIS Port<sup>[21]22</sup> Fees**

AIS Ports	AIS Monthly Port Fees
1 <sup>st</sup> Engine	\$1,000.00 per month for 2 ports for first engine
Engines 2 through 5	\$250.00 for 2 ports for each engine
Engines over 5	\$125.00 for 2 ports for each engine

**e) Electronic Exchange Member MPID Fees**

MIAX will assess monthly MIAX Member Participant Identifier ("MPID") fees to Electronic Exchange Members ("EEMs"), based upon the number of MPIDs assigned to the particular EEM in a given month.

EEM MPID Fees	EEM Monthly MPID Fees
1st MPID per EEM	\$200 per month
2 <sup>nd</sup> through 5 <sup>th</sup> EEM MPID	\$100 per month for each MPID
Each Additional EEM MPID over 5	\$50 per month for each MPID

<sup>[21]22</sup> An AIS Port provides an AIS with the connectivity necessary to receive administrative information from the MIAX System.



**6) Market Data Fees – MIAX Top of Market (“ToM”)**

<b>Distributor Type</b>	<b>Monthly Fee</b>
Internal Distributor	\$1,000.00
External Distributor	\$5,000.00

MIAX assesses market data fees applicable to ToM on Internal and External Distributors. A Distributor of MIAX data is any entity that receives a feed or file of data either directly from MIAX or indirectly through another entity and then distributes it either internally (within that entity) or externally (outside that entity). All Distributors are required to execute a MIAX Distributor Agreement. Market Data Fees for ToM will be reduced for new Distributors for the first month during which they subscribe to ToM, based on the number of trading days that have been held during the month prior to the date on which they subscribe. Such new Distributors will be assessed a pro-rata percentage of the fees described above, which is the percentage of the number of trading days remaining in the affected calendar month as of the date on which they begin to receive the ToM feed, divided by the total number of trading days in the affected calendar month.