

## OMB APPROVAL

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Page 1 of \* 21

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

File No.\* SR -2014 - \* 27

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 \*  Amendment \*  Withdrawal  Section 19(b)(2) \*  Section 19(b)(3)(A) \*  Section 19(b)(3)(B) \*

## Rule

Pilot  Extension of Time Period for Commission Action \*  Date Expires \*   
 19b-4(f)(1)  19b-4(f)(4)  
 19b-4(f)(2)  19b-4(f)(5)  
 19b-4(f)(3)  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) \*

Section 806(e)(2) \*

Section 3C(b)(2) \*

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 Rules 200, 208, 1203 and the 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 \* James

Last Name \* Morgan

Title \* Associate Counsel

E-mail \* jmorgan@miami-holdings.com

Telephone \* (609) 897-1484

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 06/09/2014

Vice President and Senior Counsel

By Brian O'Neill

(Name \*)

Persona Not Validated - 1399471823417,

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.

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF 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 I 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 amend various Exchange Rules related to fees and the cover page of the MIAX Options Fee Schedule.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change and the text of the proposed revision to the MIAX Options Fee Schedule are 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 the Chief Executive Officer 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 James C. Morgan, Associate Counsel and Assistant Vice President, at (609) 897-1484.

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

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

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 Rules 200(e), 208, and 1203. The Exchange also proposes to amend the Fee Schedule to add language regarding fee disputes.

First, the Exchange proposes to amend Rule 200(e) to eliminate the description of when the Trading Permit fee is due and payable each month. Currently, Rule 200(e) states that the Trading Permit fee is due and payable in full on or before the first day on which the Trading Permit is effective. However, as the Exchange's Fee Schedule indicates, the monthly Trading Permit fees are calculated for certain Members<sup>3</sup> based upon the greatest number of assigned classes on any given day within a particular calendar month. The Exchange proposes to amend Rule 200(e) to eliminate the statement indicating that the entire Trading Permit fee shall be due and payable on or before the first day on which the Trading Permit is effective because the Exchange does not actually calculate and invoice the Trading Permit fee until the month is completed.

Second, the Exchange proposes to amend Rule 208 to provide that the monthly Exchange invoices are to be paid in full on a timely basis. Rule 208 describes the MIAX Billing System and the requirement to designate a Clearing Member for the payment of Exchange invoices. Rule 208 currently requires the designated Clearing Member to pay on a timely basis "any amount that is not disputed" by the Member rather than the full amount of the Exchange invoice.

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<sup>3</sup> The amount of the monthly Trading Permit fee for a Lead Market Maker ("LMM") or a Registered Market Maker ("RMM") is calculated based on the number of their assigned classes. The amount of the monthly Trading Permit fee for an Electronic Exchange Member ("EEM") is a flat rate and not dependent upon the number of classes traded or any other such measure. Nevertheless, the Exchange, for consistency purposes, invoices Trading Permit fees in arrears for all Members.

The Exchange proposes to amend Rule 208 to provide that the designated Clearing Member shall pay to the Exchange on a timely basis the full amount of each monthly Exchange invoice because, as discussed in detail below, the Exchange proposes to handle fee disputes in Proposed Rule 1203(e). In accordance with the Proposed Rule 1203(e), the Exchange expects all invoices to be paid in full including any disputed amount. If the dispute is resolved in the Member's favor, any disputed amount will be subsequently credited to the Clearing Member on behalf of that Member's account. The Exchange believes that this change will avoid confusion because it will be consistent with Proposed Rule 1203(e). In addition, the Exchange proposes replacing the term "designated" in the first sentence of Rule 208 with the term "assessed" to more accurately reflect the action being taken by the Exchange.

The Exchange proposes to create Rule 1203(e) to establish a billing practice to prevent Members from contesting their bills long after they have been sent an invoice. In accordance with Proposed Rule 1203(e), all disputes concerning fees, dues or charges assessed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All disputes related to fees, dues or other charges must be submitted to the Exchange no later than sixty (60) days after the date of the monthly invoice. All Exchange invoices are due in full on a timely basis and payable in accordance with Rule 208. Any disputed amount resolved in the Member's favor will be subsequently credited to the Clearing Member's account at the Clearing Corporation. The Exchange provides Members with both daily and monthly fee reports and thus believes Members should be aware of any potential billing errors within sixty calendar days of issuance of an invoice. Requiring that Members dispute an invoice within this time period will encourage them to promptly review their invoices so that any disputed charges can be addressed in a timely manner while the information and data

underlying those charges (e.g., applicable fees and order information) is still easily and readily available. This practice will avoid issues that may arise when Members do not dispute an invoice in a timely manner, and will conserve Exchange resources that would have to be expended to resolve untimely billing disputes. The Exchange notes that this type of provision is common among other exchanges.<sup>4</sup> In addition, the Exchange proposes to state that all billing disputes must be submitted to the Exchange in writing,<sup>5</sup> and must be accompanied by supporting documentation. The Exchange believes that this requirement, which is also similar to requirements of other exchanges,<sup>6</sup> will further streamline the billing dispute process. In addition, in order for Members to be fully aware of this rule regarding fee disputes, the Exchange proposes to place a statement on the cover of the MIAX Options Fee Schedule and at the bottom of each invoice regarding the handling of billing disputes.

b. Statutory Basis

MIAX believes that its proposed rule change is consistent with Section 6(b) of the Act<sup>7</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>8</sup> in particular, in that it is designed to provide for an equitable allocation of reasonable dues, fees and other charges among Exchange Members and other persons using its facilities. In addition, the Exchange believes the proposed rule change also furthers the objectives of Section 6(b)(5) of the Act<sup>9</sup> in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and

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<sup>4</sup> See e.g., Securities Exchange Act Release Nos. 62661 (August 6, 2010), 75 FR 49544 (August 13, 2010) (SR-Phlx-2010-110); 71297 (January 14, 2014), 79 FR 3442 (January 21, 2014) (SR-ISE-2014-02).

<sup>5</sup> The Exchange invoice specifies contact information for billing inquiries.

<sup>6</sup> See supra note 4.

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(4).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

coordination with persons engaged in facilitating transactions in securities, and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers. The Exchange's proposal relates to how fees are invoiced and collected and will protect investors and the public interest by eliminating potential confusion that could be caused by the existing language used to describe the Exchange's billing practices. The Exchange's proposal provides for the equitable allocation of fees, dues and other charges because it applies equally to all Members and any persons using the facilities or services of the Exchange.

Additionally, the Exchange believes the requirement that all invoices be paid in full and billing disputes be submitted within 60 days after the date of the invoice is reasonable because the Exchange provides ample tools to properly and swiftly monitor and account for various charges incurred in a given month. Also, the proposal is equitable because it equally applies to all Members. The Exchange's administrative costs will be lowered as a result of this policy. The proposed provision regarding fee disputes promotes the protection of investors and the public interest by providing a clear and concise mechanism in the Exchange Rules for Members to dispute fees and the Exchange to review such disputes in a timely manner. In addition, the proposed 60 day limitation is fair and equitable since it will be implemented prospectively on all Members, only applying to invoices issued after the proposed rule change becomes operative.

#### **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 proposed rule changes to revise Exchange Rules related to fees and to add a new provision regarding fee disputes should reduce possible confusion regarding the procedures for establishing, invoicing

and collecting fees, dues and other charges. Since the Exchange proposes no substantive changes regarding fees applicable to Members, the proposal does not impose any burden on competition.

**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) of the Act<sup>10</sup> and Rule 19b-4(f)(6)<sup>11</sup> thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange's proposal relates to how fees are established, invoiced and collected. The Exchange's proposed deletion of text in Rule 200(e) benefits investors and the public interest by removing potentially confusing language as to when the Trading Permit fee is due. The Exchange believes the requirement in Rule 208 that all invoices be paid in full benefits investors and the public interest because it will streamline the process and the Exchange's administrative costs may be lowered as a result of these changes. Additionally, this change has minimal burden on competition as it applies equitably to all Members. The Exchange's proposal to establish a

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).



billing practice in Rule 1203(e) to prevent Members from disputing invoices after 60 days after the date of the monthly invoice benefits investors and the public interest by creating a clear and definitive mechanism for fee disputes. The 60 day limitation on the time to dispute an invoice will be implemented prospectively; only applying to invoices issued after the rule change becomes operative. Taken as a whole, the proposed rule changes contained in this filing promote the protection of investors and the public interest by providing a clear and concise description of how fees are established, invoiced and collected, and of the mechanism for Members to dispute fees and the Exchange to review such disputes in a timely manner. Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement. For the foregoing reasons, the Exchange believes this rule filing qualifies for expedited effectiveness as a “non-controversial” rule change under Rule 19b-4(f)(6) of the Act. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act<sup>12</sup> normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)<sup>13</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange respectfully requests a waiver of the 30 day operative delay. Waiver of the operative delay would enable market participants to benefit from the revised descriptions of how fees are established, invoiced and collected as soon as possible, which will help avoid potential confusion regarding the application of these billing practices.

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<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> 17 CFR 240.19b-4(f)(6).

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

The proposed addition of Rule 1203(e) is based, in part on the rules of NASDAQ OMX PHLX, LLC and International Securities Exchange, LLC.<sup>14</sup>

**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. Text of proposed rule change and proposed change to the MIAX Options Fee

Schedule.

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<sup>14</sup> See supra note 4.

**EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-MIAX-2014-27)

June \_\_, 2014

## Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Establish a Billing Dispute Practice

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 June 9, 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 amend various Exchange Rules related to fees and the cover page of the MIAX Options Fee Schedule.

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 Rules 200(e), 208, and 1203. The Exchange also proposes to amend the Fee Schedule to add language regarding fee disputes.

First, the Exchange proposes to amend Rule 200(e) to eliminate the description of when the Trading Permit fee is due and payable each month. Currently, Rule 200(e) states that the Trading Permit fee is due and payable in full on or before the first day on which the Trading Permit is effective. However, as the Exchange's Fee Schedule indicates, the monthly Trading Permit fees are calculated for certain Members<sup>3</sup> based upon the greatest number of assigned classes on any given day within a particular calendar month. The Exchange proposes to amend Rule 200(e) to eliminate the statement indicating that the entire Trading Permit fee shall be due and payable on or before the first day on which the Trading Permit is effective because the Exchange does not actually calculate and invoice the Trading Permit fee until the month is completed.

Second, the Exchange proposes to amend Rule 208 to provide that the monthly Exchange invoices are to be paid in full on a timely basis. Rule 208 describes the MIAX Billing System and the requirement to designate a Clearing Member for the payment of Exchange invoices.

Rule 208 currently requires the designated Clearing Member to pay on a timely basis "any

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<sup>3</sup> The amount of the monthly Trading Permit fee for a Lead Market Maker ("LMM") or a Registered Market Maker ("RMM") is calculated based on the number of their assigned classes. The amount of the monthly Trading Permit fee for an Electronic Exchange Member ("EEM") is a flat rate and not dependent upon the number of classes traded or any other such measure. Nevertheless, the Exchange, for consistency purposes, invoices Trading Permit fees in arrears for all Members.

amount that is not disputed” by the Member rather than the full amount of the Exchange invoice. The Exchange proposes to amend Rule 208 to provide that the designated Clearing Member shall pay to the Exchange on a timely basis the full amount of each monthly Exchange invoice because, as discussed in detail below, the Exchange proposes to handle fee disputes in Proposed Rule 1203(e). In accordance with the Proposed Rule 1203(e), the Exchange expects all invoices to be paid in full including any disputed amount. If the dispute is resolved in the Member’s favor, any disputed amount will be subsequently credited to the Clearing Member on behalf of that Member’s account. The Exchange believes that this change will avoid confusion because it will be consistent with Proposed Rule 1203(e). In addition, the Exchange proposes replacing the term “designated” in the first sentence of Rule 208 with the term “assessed” to more accurately reflect the action being taken by the Exchange.

The Exchange proposes to create Rule 1203(e) to establish a billing practice to prevent Members from contesting their bills long after they have been sent an invoice. In accordance with Proposed Rule 1203(e), all disputes concerning fees, dues or charges assessed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All disputes related to fees, dues or other charges must be submitted to the Exchange no later than sixty (60) days after the date of the monthly invoice. All Exchange invoices are due in full on a timely basis and payable in accordance with Rule 208. Any disputed amount resolved in the Member’s favor will be subsequently credited to the Clearing Member’s account at the Clearing Corporation. The Exchange provides Members with both daily and monthly fee reports and thus believes Members should be aware of any potential billing errors within sixty calendar days of issuance of an invoice. Requiring that Members dispute an invoice within this time period will encourage them to promptly review their invoices so that any disputed charges can be addressed in a timely manner while the information and data

underlying those charges (e.g., applicable fees and order information) is still easily and readily available. This practice will avoid issues that may arise when Members do not dispute an invoice in a timely manner, and will conserve Exchange resources that would have to be expended to resolve untimely billing disputes. The Exchange notes that this type of provision is common among other exchanges.<sup>4</sup> In addition, the Exchange proposes to state that all billing disputes must be submitted to the Exchange in writing,<sup>5</sup> and must be accompanied by supporting documentation. The Exchange believes that this requirement, which is also similar to requirements of other exchanges,<sup>6</sup> will further streamline the billing dispute process. In addition, in order for Members to be fully aware of this rule regarding fee disputes, the Exchange proposes to place a statement on the cover of the MIAX Options Fee Schedule and at the bottom of each invoice regarding the handling of billing disputes.

## 2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b)<sup>7</sup> of the Act in general, and furthers the objectives of Section 6(b)(4)<sup>8</sup> of the Act in particular, in that it is designed to provide for an equitable allocation of reasonable dues, fees and other charges among Exchange Members and other persons using its facilities. In addition, the Exchange believes the proposed rule change also furthers the objectives of Section 6(b)(5) of the Act<sup>9</sup> in particular, in that it is designed to promote just and equitable principles of trade, to foster

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<sup>4</sup> See e.g., Securities Exchange Act Release Nos. 62661 (August 6, 2010), 75 FR 49544 (August 13, 2010) (SR-Phlx-2010-110); 71297 (January 14, 2014), 79 FR 3442 (January 21, 2014) (SR-ISE-2014-02).

<sup>5</sup> The Exchange invoice specifies contact information for billing inquiries.

<sup>6</sup> See supra note 4.

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(4).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

cooperation and coordination with persons engaged in facilitating transactions in securities, and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers. The Exchange's proposal relates to how fees are invoiced and collected and will protect investors and the public interest by eliminating potential confusion that could be caused by the existing language used to describe the Exchange's billing practices. The Exchange's proposal provides for the equitable allocation of fees, dues and other charges because it applies equally to all Members and any persons using the facilities or services of the Exchange.

Additionally, the Exchange believes the requirement that all invoices be paid in full and billing disputes be submitted within 60 days after the date of the invoice is reasonable because the Exchange provides ample tools to properly and swiftly monitor and account for various charges incurred in a given month. Also, the proposal is equitable because it equally applies to all Members. The Exchange's administrative costs will be lowered as a result of this policy. The proposed provision regarding fee disputes promotes the protection of investors and the public interest by providing a clear and concise mechanism in the Exchange Rules for Members to dispute fees and the Exchange to review such disputes in a timely manner. In addition, the proposed 60 day limitation is fair and equitable since it will be implemented prospectively on all Members, only applying to invoices issued after the proposed rule change becomes operative.

**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 proposed rule changes to revise Exchange Rules related to fees and to add a new provision regarding fee disputes should reduce possible confusion regarding the procedures for establishing, invoicing and collecting fees, dues and other charges. Since the Exchange proposes no substantive

changes regarding fees applicable to Members, the proposal does not impose any burden on competition.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act<sup>10</sup> and Rule 19b-4(f)(6)<sup>11</sup> thereunder.

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 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.

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.



#### 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-2014-27 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-MIAX-2014-27. 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-2014-27 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]

**MIAMI INTERNATIONAL SECURITIES EXCHANGE, LLC**

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**Rule 200. Trading Permits**

(a) – (d) No change.

(e) **Fees and Charges for Trading Permits.** Trading Permits shall be subject to such fees and charges as are established by the Exchange from time to time pursuant to Rule 1202 and Rule 1203 and the Exchange Fee Schedule. [The entire fee for a Trading Permit shall be due and payable in full on or before the first day on which the Trading Permit is effective on a nonrefundable basis.] An organization holding a Trading Permit in its name shall be responsible for paying all fees and charges for that Trading Permit. An individual holding a Trading Permit in his or her name shall be responsible for paying all fees and charges for that Trading Permit.

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**Rule 208. MIAX Billing System**

Every Member must designate a Clearing Member for the payment of the Member's Exchange invoices and vendor invoices for Exchange-related services [designated] assessed by the Exchange by means of the Exchange's MIAX Billing System ("MBS"). The designated Clearing Member shall pay to the Exchange on a timely basis the full amount of each monthly Exchange invoice any amount that is not disputed pursuant to MBS procedures by the Member who is directly involved]. Such payments shall be drafted by the Exchange against the designated Clearing Member's account at the Clearing Corporation.

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**Rule 1203. Other Fees and Charges**

(a) – (d) No changes

(e) **Fee Disputes.** All disputes concerning fees, dues or charges assessed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All disputes related to fees, dues or other charges must be submitted to the Exchange no later than sixty (60) days after the date of the monthly invoice. All Exchange invoices are due in full on a timely basis and payable in accordance with Rule 208. Any disputed amount resolved in the

Member's favor will be subsequently credited to the Clearing Member's account at the Clearing Corporation.

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**MIAX Options Fee Schedule**

**All Exchange invoices are due in full on a timely basis and payable in accordance with MIAX Rule 208. All disputes related to fees, dues or other charges must be submitted to the Exchange in writing no later than sixty (60) days after the date of the monthly invoice and must be accompanied by supporting documentation.**

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