

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 22	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2017 - * 05 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"/>
Pilot <input type="checkbox"/>			Rule		
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"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
---	---

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

**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 \*  Last Name \*   
 Title \*   
 E-mail \*   
 Telephone \*  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  By    
 (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.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add Remove View

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 \***

Add Remove View

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 \***

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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 Options” 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 the MIAX Options Fee Schedule (the “Fee Schedule”).

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the applicable section of the proposed MIAX Options 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 Options Board of Directors on December 8, 2016. 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 Joseph W. Ferraro, Senior Vice President and Associate General Counsel, at 609-897-8492.

---

<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 its Fee Schedule to provide a definition of the MIAX Express Network Interconnect (“MENI”) and that any Member<sup>3</sup> or non-Member using the MENI to access the Exchange’s System<sup>4</sup> and the automated trading system of MIAX PEARL, LLC (“MIAX PEARL”), the Exchange’s affiliate (the “MIAX PEARL System”) will only be assessed one network connectivity fee per such connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL accessed via such connection, as more fully described below.<sup>5</sup>

The Exchange provides to Members and non-Members a network infrastructure pursuant to which such Members and non-Members establish connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange. The Exchange refers to this network infrastructure as the MIAX Express Network Interconnect, or the MENI. The MENI consists of the low latency and ultra-low latency (“ULL”) connectivity options set forth in the Exchange’s Fee Schedule. The MENI also provides members and non-members of MIAX PEARL network connectivity to the trading platforms, market data systems,

---

<sup>3</sup> The term “Member” means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

<sup>4</sup> The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

<sup>5</sup> The Exchange notes that MIAX PEARL has filed with the Commission a proposed rule change to adopt similar clarifying rules in connection with the establishment of its proposed fee schedule. See SR-PEARL-2017-10 filed on February 13, 2017 at [www.miaxoptions.com](http://www.miaxoptions.com).

test systems, and disaster recovery facilities of MIAX PEARL. Further, for Members and non-Members of the Exchange that wish to establish connectivity to both the Exchange and MIAX PEARL, the MENI can be configured to provide such Members and non-Members of the Exchange network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of both the Exchange and MIAX PEARL, via a single, shared connection.

Accordingly, the Exchange is proposing to clarify that, when a Member or non-Member of the Exchange establishes network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of both the Exchange and MIAX PEARL, via a single, shared connection, for purposes of: (i) Section 4) of the Exchange's Fee Schedule, the Member or non-Member will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection, and (ii) Section 5) of the Exchange's Fee Schedule, the Member or non-Member will only be assessed one Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

In particular, regarding Network Connectivity Testing and Certification, new users of the Exchange's System (and existing users of the System that seek to change connectivity options) require testing and certification prior to actual use in the production environment, and are assessed fees for such testing and certification as are specified in the Exchange's Fee Schedule. Accordingly, the Exchange now proposes to amend Section 4)c) of the Fee Schedule to provide that Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared

connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection. Further, the Exchange similarly proposes to amend Section 4)d) of the Fee Schedule to provide that non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

Regarding System Network Connectivity Fees, Members and non-Members of the Exchange are assessed fees for connectivity to the Exchange as is set forth in the Fee Schedule, depending on the connection size (e.g., 1 Gigabit, 10 Gigabit, 10 Gigabit ULL) and facility site (e.g., primary/secondary facility, disaster recovery facility). Accordingly, the Exchange now proposes to amend Section 5)a) of the Fee Schedule to provide that Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Member Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection. Further, the Exchange similarly proposes to amend Section 5)b) of the Fee Schedule to provide that non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Non-Member Network Connectivity Fee per connection, regardless of the trading platforms, market data

systems, test systems, and disaster recovery facilities accessed via such connection.

The proposed rule change is intended to provide greater transparency to Members and non-Members of the Exchange regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange when Members and non-Members establish network connectivity to the Exchange and MIAX PEARL via a single, shared network connection by explicitly stating that each such connection will only be charged once per connection. The Exchange believes that clarifying regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange will benefit all market participants by assisting them in the decision-making process to connect to the Exchange and further their readiness to use the MIAX PEARL System.

b. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act<sup>6</sup> in general, and furthers the objectives of Sections 6(b)(4) of the Act,<sup>7</sup> in that it is an equitable allocation of reasonable fees and other charges among Exchange Members and other persons using its facilities, and Section 6(b)(5) of the Act,<sup>8</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

---

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

The proposed rule change furthers the objectives of Section 6(b)(4) of the Act<sup>9</sup> because it will apply equally to all Exchange participants who test and/or use a single, shared connection to access the Exchange and MIAX PEARL. The Exchange believes that assessing all Exchange participants only one connectivity fee for each single, shared connection to both the Exchange and MIAX PEARL is reasonable, equitable and not unfairly discriminatory because it makes the fees consistent between the Exchange and MIAX PEARL for use of the MENI to access both exchanges.

The proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>10</sup> in that it is designed to protect investors and the public interest and to promote just and equitable principles of trade by providing greater transparency to Members and non-Members of the Exchange regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange when Members and non-Members establish network connectivity to the Exchange and MIAX PEARL via a single, shared network connection by explicitly stating that each such connection will only be charged once per connection.

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

MIAX Options does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed changes would increase both intermarket and intramarket competition by defining the assessments of such network connectivity testing and certification fees and network connectivity fees for all users of the Exchange, thereby creating greater clarity around the Exchange's assessment of such fees for participants that wish to begin using MIAX

---

<sup>9</sup> 15 U.S.C. 78f(b)(4).

<sup>10</sup> 15 U.S.C. 78f(b)(5).



PEARL's System through its existing MIAX Options' network connection and to continue using the Exchange's facilities through the same shared connection, thereby enabling a potential user of both systems to assess the competitive nature of the fees. This should benefit all market participants and improve competition on the Exchange.

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 to the Exchange. The Exchange believes that the proposal will enhance competition, because market participants will have more clarity surrounding how they will be assessed the network connectivity testing and certification fees and network connectivity fees if they desire to connect to both the MIAX Options and MIAX PEARL through the MENI and will also understand that they will not be double charged for these network fees for using the same, shared connections to both exchanges.

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, and Rule 19b-4(f)(2) thereunder 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 proposed rule changes are not based on the rules of another exchange.

**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 Options Fee Schedule.

**EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-MIAX-2017-05)

February \_\_, 2017

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 Clarify Its Fees Relating to the MIAX Express Network Interconnect (“MENI”).

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 13, 2017, Miami International Securities Exchange LLC (“MIAX Options” 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 the MIAX Options Fee Schedule (the “Fee Schedule”).

The text of the proposed rule change is available on the Exchange’s website at <http://www.miaxoptions.com/rule-filings>, 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

---

<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 provide a definition of the MIAX Express Network Interconnect (“MENI”) and that any Member<sup>3</sup> or non-Member using the MENI to access the Exchange’s System<sup>4</sup> and the automated trading system of MIAX PEARL, LLC (“MIAX PEARL”), the Exchange’s affiliate (the “MIAX PEARL System”) will only be assessed one network connectivity fee per such connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL accessed via such connection, as more fully described below.<sup>5</sup>

The Exchange provides to Members and non-Members a network infrastructure pursuant to which such Members and non-Members establish connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange. The Exchange refers to this network infrastructure as the MIAX Express Network Interconnect, or the MENI. The MENI consists of the low latency and ultra-low latency (“ULL”) connectivity options set forth in the Exchange’s Fee Schedule. The MENI also provides members and non-

---

<sup>3</sup> The term “Member” means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

<sup>4</sup> The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

<sup>5</sup> The Exchange notes that MIAX PEARL has filed with the Commission a proposed rule change to adopt similar clarifying rules in connection with the establishment of its proposed fee schedule. See SR-PEARL-2017-10 filed on February 13, 2017 at [www.miaxoptions.com](http://www.miaxoptions.com).

members of MIAX PEARL network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of MIAX PEARL. Further, for Members and non-Members of the Exchange that wish to establish connectivity to both the Exchange and MIAX PEARL, the MENI can be configured to provide such Members and non-Members of the Exchange network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of both the Exchange and MIAX PEARL, via a single, shared connection.

Accordingly, the Exchange is proposing to clarify that, when a Member or non-Member of the Exchange establishes network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of both the Exchange and MIAX PEARL, via a single, shared connection, for purposes of: (i) Section 4) of the Exchange's Fee Schedule, the Member or non-Member will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection, and (ii) Section 5) of the Exchange's Fee Schedule, the Member or non-Member will only be assessed one Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

In particular, regarding Network Connectivity Testing and Certification, new users of the Exchange's System (and existing users of the System that seek to change connectivity options) require testing and certification prior to actual use in the production environment, and are assessed fees for such testing and certification as are specified in the Exchange's Fee Schedule. Accordingly, the Exchange now proposes to amend Section 4)c) of the Fee Schedule to provide that Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared

connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection. Further, the Exchange similarly proposes to amend Section 4)d) of the Fee Schedule to provide that non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

Regarding System Network Connectivity Fees, Members and non-Members of the Exchange are assessed fees for connectivity to the Exchange as is set forth in the Fee Schedule, depending on the connection size (e.g., 1 Gigabit, 10 Gigabit, 10 Gigabit ULL) and facility site (e.g., primary/secondary facility, disaster recovery facility). Accordingly, the Exchange now proposes to amend Section 5)a) of the Fee Schedule to provide that Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Member Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection. Further, the Exchange similarly proposes to amend Section 5)b) of the Fee Schedule to provide that non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Non-Member Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

The proposed rule change is intended to provide greater transparency to Members and non-Members of the Exchange regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange when Members and non-Members establish network connectivity to the Exchange and MIAX PEARL via a single, shared network connection by explicitly stating that each such connection will only be charged once per connection. The Exchange believes that clarifying regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange will benefit all market participants by assisting them in the decision-making process to connect to the Exchange and further their readiness to use the MIAX PEARL System.

## 2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act<sup>6</sup> in general, and furthers the objectives of Sections 6(b)(4) of the Act,<sup>7</sup> in that it is an equitable allocation of reasonable fees and other charges among Exchange Members and other persons using its facilities, and Section 6(b)(5) of the Act,<sup>8</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The proposed rule change furthers the objectives of Section 6(b)(4) of the Act<sup>9</sup> because it will apply equally to all Exchange participants who test and/or use a single, shared connection to access the Exchange and MIAX PEARL. The Exchange believes that assessing all Exchange

---

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

<sup>9</sup> 15 U.S.C. 78f(b)(4).

participants only one connectivity fee for each single, shared connection to both the Exchange and MIAX PEARL is reasonable, equitable and not unfairly discriminatory because it makes the fees consistent between the Exchange and MIAX PEARL for use of the MENI to access both exchanges.

The proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>10</sup> in that it is designed to protect investors and the public interest and to promote just and equitable principles of trade by providing greater transparency to Members and non-Members of the Exchange regarding how network connectivity testing and certification fees and network connectivity fees will be assessed by the Exchange when Members and non-Members establish network connectivity to the Exchange and MIAX PEARL via a single, shared network connection by explicitly stating that each such connection will only be charged once per connection.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed changes would increase both intermarket and intramarket competition by defining the assessments of such network connectivity testing and certification fees and network connectivity fees for all users of the Exchange, thereby creating greater clarity around the Exchange's assessment of such fees for participants that wish to begin using MIAX PEARL's System through its existing MIAX Options' network connection and to continue using the Exchange's facilities through the same shared connection, thereby enabling a potential user of both systems to assess the competitive nature of the fees. This should benefit all market participants and improve competition on the Exchange.

---

<sup>10</sup> 15 U.S.C. 78f(b)(5).



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 to the Exchange. The Exchange believes that the proposal will enhance competition, because market participants will have more clarity surrounding how they will be assessed the network connectivity testing and certification fees and network connectivity fees if they desire to connect to both the MIAX Options and MIAX PEARL through the MENI and will also understand that they will not be double charged for these network fees for using the same, shared connections to both exchanges.

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> and Rule 19b-4(f)(2)<sup>12</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.

---

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

<sup>12</sup> 17 CFR 240.19b-4(f)(2).

#### 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-2017-05 on the subject line.

##### Paper comments:

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

All submissions should refer to File Number SR-MIAX-2017-05. 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-2017-05 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>13</sup>

Brent J. Fields  
Secretary

---

<sup>13</sup> 17 CFR 200.30-3(a)(12).

**Exhibit 5**

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

\*\*\*\*\*

## MIAX Options Fee Schedule

1) – 3) No change.

### 4) Testing and Certification Fees

a) – b) No change.

#### c) Member Network Connectivity Testing and Certification Fee

Type of Member	1 Gigabit Fee Per Connection	10 Gigabit 10 Gigabit ULL Fee Per Connection
Individual Firm	\$1,000.00	\$4,000.00

Member Network Connectivity Testing and Certification Fees will be assessed (i) initially per connection in the month the Individual Firm has been credentialed to use any API or Market Data feeds in the production environment utilizing the tested network connection, and (ii) each time an Individual Firm initiates a change to its system that requires network connectivity testing and certification.

Network Connectivity Testing and Certification Fees will not be assessed in situations where the Exchange initiates a mandatory change to the Exchange's system that requires testing and certification. Member Network Connectivity Testing and Certification Fees will not be assessed for testing and certification of connectivity to the Exchange's Disaster Recovery Facility.

The MIAX Express Network Interconnect ("MENI") is a network infrastructure which provides Members and non-Members network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange. The MENI consists of the low latency and ultra low latency ("ULL") connectivity options set forth in the Exchange's Fee Schedule. The MENI can also be configured to provide network connectivity to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange's affiliate, MIAX PEARL, via a single, shared connection.

Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested,

regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

#### d) Non-Member Network Connectivity Testing and Certification Fee

Non-Member	1 Gigabit Fee Per Connection	10 Gigabit 10 Gigabit ULL Fee Per Connection
Service Bureau/Extranet Provider <sup>22</sup> and other non-Members	\$1,200.00	\$4,200.00

Non-Member Network Connectivity Testing and Certification fees will be assessed (i) initially per connection in the month the Service Bureau, Extranet Provider or other non-Member has been credentialed to use any API or Market Data feeds in the production environment using the tested network connection, and (ii) each time a Service Bureau, Extranet Provider or other non-Member initiates a change to its system that requires network connectivity testing and certification.

Network Connectivity Testing and Certification Fees will not be assessed in situations where the Exchange initiates a mandatory change to the Exchange's system that requires testing and certification. Non-Member Network Connectivity Testing and Certification Fees will not be assessed for testing and certification of connectivity with the Exchange's Disaster Recovery Facility.

Non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Network Connectivity Testing and Certification Fee per connection tested, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

## 5) System Connectivity Fees

#### a) Monthly Member Network Connectivity Fee

Member Network Connectivity Per Month	Primary/Secondary Facility 1 Gigabit Per Connection	Disaster Recovery Facility 1 Gigabit Per Connection	Primary/Secondary Facility 10 Gigabit Per Connection	Disaster Recovery Facility 10 Gigabit Per Connection	Primary/Secondary Facility 10 Gigabit ULL Per Connection
Individual Firm	\$1,100.00	\$500.00	\$5,500.00	\$2,500.00	\$8,500.00

Monthly Member Network Connectivity fees for connectivity with the Primary/Secondary Facility will be assessed in any month the Member is credentialed to use any of the MIAX APIs or Market

<sup>22</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.

Data feeds in the production environment and will be pro-rated when a Member makes a change to the connectivity (by adding or deleting connections) with such pro-rated fees based on the number of trading days that the Member has been credentialed to utilize any of the MIAX APIs or Market Data feeds in the production environment through such connection, divided by the total number of trading days in such month multiplied by the applicable monthly rate. Monthly Member Network Connectivity fees for connectivity with the Disaster Recovery Facility will be assessed in each month during which the Member has established connectivity with the Disaster Recovery Facility.

Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Member Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

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

Non-Member Network Connectivity Per Month	Primary/Secondary Facility 1 Gigabit Per Connection	Disaster Recovery Facility 1 Gigabit Per Connection	Primary/Secondary Facility 10 Gigabit Per Connection	Disaster Recovery Facility 10 Gigabit Per Connection	Primary/Secondary Facility 10 Gigabit ULL Per Connection
Service Bureau/Extranet Provider and other non-Members	\$1,100.00	\$500.00	\$5,500.00	\$2,500.00	\$8,500.00

Monthly Non-Member Network Connectivity fees for connectivity with the Primary/Secondary Facility will be assessed in each month the Non-Member has been credentialed to use any of the MIAX APIs or Market Data feeds via the network connection in the production environment and will be pro-rated when a Non-Member makes a change to the connectivity (by adding or deleting connections) with such pro-rated fees based on the number of trading days that the Non-Member has been credentialed to utilize any of the MIAX APIs or Market Data feeds in the production environment through such connection, divided by the total number of trading days in such month multiplied by the applicable monthly rate. Monthly Non-Member Network Connectivity fees for connectivity with the Disaster Recovery Facility will be assessed in each month during which the Non-Member has established connectivity with the Disaster Recovery Facility.

Non-Members utilizing the MENI to connect to the trading platforms, market data systems, test systems, and disaster recovery facilities of the Exchange and MIAX PEARL via a single, shared connection will only be assessed one Monthly Non-Member Network Connectivity Fee per connection, regardless of the trading platforms, market data systems, test systems, and disaster recovery facilities accessed via such connection.

**c) – f) No change.**

\*\*\*\*\*