

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 27	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2017 - * 19	Amendment No. (req. for Amendments *)
Filing by MIAX PEARL, 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"/>	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 *).				
<input type="text" value="Proposal to Amend the MIAX PEARL 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 *	<input type="text" value="Joseph"/>		Last Name *	<input type="text" value="Ferraro"/>
Title *	<input type="text" value="SVP, Associate General Counsel"/>			
E-mail *	<input type="text" value="jferraro@miami-holdings.com"/>			
Telephone *	<input type="text" value="(609) 897-8492"/>	Fax	<input type="text"/>	
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	<input type="text" value="04/26/2017"/>	<input type="text" value="SVP, Associate General Counsel"/>		
By	<input type="text" value="Joseph Ferraro"/>	<input type="text" value="jferraro@miami-holdings.com"/>		
(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) MIAX PEARL, LLC (“MIAX PEARL” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² proposes to amend the MIAX PEARL 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 MIAX PEARL 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 PEARL 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.

¹ 15 U.S.C. 78s(b)(1).

² 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 the Add/Remove Tiered Rebates/Fees set forth in Section 1)a) of the Fee Schedule that apply to MIAX PEARL Market Makers³ to (i) increase the “Maker” rebate in Tier 3 for transactions of options in Penny classes (as defined below), and (ii) add a new, alternative Volume Criteria to Tier 3 based upon the total monthly volume executed by a Market Maker solely in SPY options on MIAX PEARL, expressed as a percentage of total consolidated national volume in SPY options. The Exchange also proposes to make a minor, non-substantive technical correction to a definition contained in the Definitions section of the Fee Schedule, as described below.

The Exchange currently assesses transaction rebates and fees to all market participants which are based upon the total monthly volume executed by the Member⁴ on MIAX PEARL in the relevant, respective origin type (not including Excluded Contracts)⁵ expressed as a percentage of TCV.⁶ In addition, the per contract transaction rebates and fees are applied

³ “Market Maker” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange. See the Definitions Section of the Fee Schedule and Exchange Rule 100.

⁴ “Member” means an individual or organization that is registered with the Exchange pursuant to Chapter II of the Exchange Rules for purposes of trading on the Exchange as an “Electronic Exchange Member” or “Market Maker.” Members are deemed “members” under the Exchange Act. See the Definitions Section of the Fee Schedule and Exchange Rule 100.

⁵ “Excluded Contracts” means any contracts routed to an away market for execution. See the Definitions Section of the Fee Schedule.

⁶ “TCV” means total consolidated volume calculated as the total national volume in those classes listed on MIAX PEARL for the month for which the fees apply, excluding consolidated volume executed during the period time in which the Exchange experiences an “Exchange System Disruption” (solely in the option classes of the affected Matching Engine (as defined below)). The term Exchange System Disruption, which is defined in

retroactively to all eligible volume for that origin type once the respective threshold tier (“Tier”) has been reached by the Member. The Exchange aggregates the volume of Members and their Affiliates.⁷ Members that place resting liquidity, i.e., orders resting on the book of the MIAX PEARL System,⁸ are paid the specified “maker” rebate (each a “Maker”), and Members that execute against resting liquidity are assessed the specified “taker” fee (each a “Taker”). For opening transactions and ABBO uncrossing transactions, per contract transaction rebates and fees are waived for all market participants. Finally, Members are assessed lower transaction fees and receive lower rebates for order executions in standard option classes in the Penny Pilot

the Definitions section of the Fee Schedule, means an outage of a Matching Engine or collective Matching Engines for a period of two consecutive hours or more, during trading hours. The term Matching Engine, which is also defined in the Definitions section of the Fee Schedule, is a part of the MIAX PEARL electronic system that processes options orders and trades on a symbol-by-symbol basis. Some Matching Engines will process option classes with multiple root symbols, and other Matching Engines may be dedicated to one single option root symbol (for example, options on SPY may 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. The Exchange believes that it is reasonable and appropriate to select two consecutive hours as the amount of time necessary to constitute an Exchange System Disruption, as two hours equates to approximately 1.4% of available trading time per month. The Exchange notes that the term “Exchange System Disruption” and its meaning have no applicability outside of the Fee Schedule, as it is used solely for purposes of calculating volume for the threshold tiers in the Fee Schedule. See the Definitions Section of the Fee Schedule.

⁷ “Affiliate” means (i) an affiliate of a Member of at least 75% common ownership between the firms as reflected on each firm’s Form BD, Schedule A, or (ii) the Appointed Market Maker of an Appointed EEM (or, conversely, the Appointed EEM of an Appointed Market Maker). An “Appointed Market Maker” is a MIAX PEARL Market Maker (who does not otherwise have a corporate affiliation based upon common ownership with an EEM) that has been appointed by an EEM and an “Appointed EEM” is an EEM (who does not otherwise have a corporate affiliation based upon common ownership with a MIAX PEARL Market Maker) that has been appointed by a MIAX PEARL Market Maker, pursuant to the process described in the Fee Schedule. See the Definitions Section of the Fee Schedule.

⁸ The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

Program⁹ (“Penny classes”) than for order executions in standard option classes which are not in the Penny Pilot Program (“Non-Penny classes”), where Members are assessed higher transaction fees and receive higher rebates.

Transaction rebates and fees applicable to all Market Makers are currently assessed according to the following table:

			Per Contract Rebates/Fees for Penny Classes		Per Contract Rebates/Fees for Non-Penny Classes	
Origin	Tier	Volume Criteria	Maker	Taker	Maker	Taker
All MIAX PEARL Market Makers	1	0.00%-0.10%	(\$0.25)	\$0.50	(\$0.30)	\$1.05
	2	Above 0.10%-0.50%	(\$0.40)	\$0.48	(\$0.60)	\$1.03
	3	Above 0.50%-0.75%	(\$0.45)	\$0.47	(\$0.65)	\$1.02
	4	Above 0.75%	(\$0.48)	\$0.47	(\$0.70)	\$1.02

The Exchange proposes to increase the “Maker” rebate amount in Tier 3 for Penny classes from (\$0.45) to (\$0.47). The purpose of increasing the amount of the rebate is to provide a greater incentive to Market Makers to reach Tier 3, thereby increasing the potential for executing more volume at the Exchange and consequently receiving a higher rebate. The Exchange believes that increased Maker volume by Market Makers in Penny classes will attract more liquidity to the Exchange, which in turn will benefit all market participants.

The Exchange also proposes to add a new, alternative Volume Criteria to Tier 3 based upon the total monthly volume executed by a Market Maker solely in SPY options on MIAX PEARL, expressed as a percentage of total consolidated national volume in SPY options. Pursuant to this alternative Volume Criteria, a Market Maker can now reach the Tier 3 threshold if the Market Maker’s total executed monthly volume in SPY options on MIAX PEARL is above 2.0% of total consolidated national monthly volume in SPY options. To be clear, volume that is

⁹ See Securities Exchange Act Release No. 79778 (January 12, 2017), 82 FR 6662 (January 19, 2017)(SR-PEARL-2016-01).

from resting liquidity (Maker) and taking liquidity (Taker) in SPY options are counted towards this alternative Volume Criteria. Accordingly, a Market Maker could now qualify for Tier 3 rebates and fees which will then be applicable to all volume executed by the Market Maker on MIAX PEARL. The two Volume Criteria available for Tier 3 are now based upon either: (a) the total monthly volume executed by the Market Maker *in all options classes on MIAX PEARL*, not including Excluded Contracts, (as the numerator), expressed as a percentage of (divided by) TCV (as the denominator); or (b) the total monthly volume executed by the Market Maker *solely in SPY options on MIAX PEARL*, not including Excluded Contracts, (as the numerator), expressed as a percentage of (divided by) SPY TCV (as the denominator). Once either Volume Criteria threshold in Tier 3 is reached by the Market Maker, the Tier 3 per contract rebates and fees will apply to all volume *in all options classes* executed by that Market Maker on MIAX PEARL.

In addition to modifying the MIAX PEARL Market Maker table to insert the new, alternative Volume Criteria threshold in Tier 3, in order to provide a clear explanation of the requirements for achieving that alternative Volume Criteria threshold in Tier 3, the Exchange is proposing to (i) amend the explanatory paragraph beneath the tables in Section 1)a) of the Fee Schedule, and (ii) add a new definition of “SPY TCV” to the Definitions Section of the Fee Schedule. The amended explanatory paragraph will clarify that (except as otherwise set forth in the Fee Schedule) the existing Volume Criteria threshold measures volume in all options classes on MIAX PEARL, and that the new, alternative Volume Criteria threshold in Tier 3 for Market Makers measures volume solely in SPY options on MIAX PEARL. The new definition of SPY TCV in the Definitions Section shall provide the following: “SPY TCV” means total consolidated volume in SPY calculated as the total national volume in SPY for the month for

which the fees apply, excluding consolidated volume executed during the period of time in which the Exchange experiences an Exchange System Disruption (solely in SPY options).

The Exchange believes that the proposed alternative Volume Criteria threshold in Tier 3 for Market Makers will provide another opportunity for those Market Makers that concentrate their trading activity in limited options classes such as SPY options to reach a higher tier. The Exchange believes that creating this alternative Volume Criteria will extend the Tier 3 fee incentives to Market Makers that concentrate their trading activity by sending significant volume in SPY options as compared to other Market Makers that do trade in the broad range of products listed on the Exchange.

Finally, the Exchange is proposing to make a minor, non-substantive technical correction to the definition of “TCV” to insert the word “of” in between the words “period” and “time.” This word was inadvertently left out of the sentence when the definition of “TCV” was initially adopted, on February 6, 2017.¹⁰

The proposed rule change is scheduled to become operative May 1, 2017.

b. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act¹¹ in general, and furthers the objectives of Section 6(b)(4) of the Act,¹² in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities, and 6(b)(5) of the Act,¹³ in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade,

¹⁰ See Securities Exchange Act Release No. 80061 (February 17, 2017), 82 FR 11676 (February 24, 2017)(SR-PEARL-2017-10).

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

¹³ 15 U.S.C. 78f(b)(1) and (b)(5).

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 Maker rebate increase in Penny classes applicable to Market Makers that reach the Tier 3 threshold is reasonable, equitable and not unfairly discriminatory because all similarly situated Market Makers are subject to the same tiered rebates and fees and access to the Exchange is offered on terms that are not unfairly discriminatory. The Exchange initially set its Maker rebates at the various volume levels based upon business determinations and an analysis of current Maker rebates and volume levels at other exchanges. For competitive and business reasons, the Exchange believes that a higher rebate to Market Makers that add liquidity in Penny classes in a higher tier will encourage Market Makers to execute more volume as a Maker in Penny classes. The Exchange believes for these reasons that offering a higher Maker rebate for transactions in Penny classes in Tier 3 for Market Makers is equitable, reasonable and not unfairly discriminatory, and thus consistent with the Act.

Furthermore, the proposed increase to the Maker rebate amount in Penny classes for Market Makers that reach Tier 3 promotes just and equitable principles of trade, fosters cooperation and coordination with persons engaged in facilitating transactions in securities, and protects investors and the public interest because the proposed increase in the rebate amount encourages Market Makers to send more orders to the Exchange which add liquidity in order to achieve higher thresholds and resulting higher rebates. To the extent that order flow which adds liquidity in Penny classes is increased by the proposal, market participants will increasingly compete for the opportunity to trade on the Exchange, including sending more orders to reach

higher tiers. The resulting increased volume and liquidity will benefit all Exchange participants by providing more trading opportunities and tighter spreads.

The Exchange's proposal to adopt the new, alternative Volume Criteria for Tier 3 based on SPY volume executed on the Exchange is reasonable, equitable, and not unfairly discriminatory, as it is a form of pricing based upon trading activity in a select symbol, which is a common practice on many U.S. options exchanges as a means to incentivize order flow to be sent to an exchange for execution in actively traded options classes. The Exchange's affiliate, Miami International Securities Exchange, LLC ("MIAX Options"), offers enhanced pricing for transactions in options underlying certain select symbols.¹⁴ SPY options are the most actively traded class. Other options exchanges' fee schedules distinguish by symbol and specifically assess different fees and rebates for transactions in select symbols and some exclusively for transactions in SPY options for the same market participants.¹⁵

The Exchange is offering an alternative Tier 3 Volume Criteria threshold based on SPY options volume in Tier 3 because, as previously mentioned, SPY options are the most actively traded options in the industry, and therefore the Exchange believes that incentivizing Market Makers that concentrate their trading activity in SPY options will consequently increase order flow sent to the Exchange, which will benefit all market participants through increased liquidity, tighter markets and order interaction.

The Exchange believes that the proposed non-substantive, technical correction will promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system because it will improve the

¹⁴ See MIAX Options Fee Schedule, Section 1)a)iii).

¹⁵ See Chicago Board Options Exchange Incorporated ("CBOE") Fees Schedule; see also NASDAQ PHLX LLC ("PHLX") Pricing Schedule, Chapter B, Section I; see further International Securities Exchange LLC ("ISE") Fee Schedule, Sections I and II.

readability of the rules. The proposed change does not alter the application of the rule. As such, the proposed change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system. In particular, the Exchange believes that the proposed rule change will provide greater clarity to Members and the public regarding the Exchange's Rules, and it is in the public interest for rules to be accurate and concise so as to eliminate the potential for confusion.

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

MIAX PEARL 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 proposed Maker rebate increase is intended to encourage the posting of liquidity. The proposed rule change should enable the Exchange to attract and compete for order flow with other exchanges and the greater rebate for adding liquidity will encourage Market Makers to submit more order flow that adds liquidity, not removes it. The Exchange also believes that paying greater rebates may create competition among market participants. However, this competition does not create an undue burden on competition but rather offers all market participants the opportunity to receive the benefit of the enhanced pricing.

Further, the Exchange believes that the proposed alternative Volume Criteria threshold in Tier 3 based on SPY options volume applicable to Market Makers provides greater incentives to those Market Makers that concentrate their trading activity in SPY options to send additional SPY orders and creates additional opportunity for additional liquidity to the market.

The Exchange does not believe that the proposed rule change to make a technical correction to its rules will impose any burden on competition not necessary or appropriate in

furtherance of the purposes of the Act. The proposed rule change is not designed to address any competitive issues but rather is designed to add additional clarity and to remedy a minor, non-substantive issue in the text of a definition in the Fee Schedule.

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 rebates and fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule changes reflect this competitive environment because they modify 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,¹⁶ and Rule 19b-4(f)(2) thereunder¹⁷ 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.

¹⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁷ 17 CFR 240.19b-4.

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

Other exchanges offer improved pricing schemes for transactions in certain symbols, including the Exchange's affiliate MIAX Options, and certain exchanges offer specific pricing schemes for transactions in SPY options.¹⁸ While the Exchange is not proposing separate pricing for transactions in SPY options specifically, it is offering those Market Makers who concentrate their trading activity in SPY options the opportunity to reach higher tier thresholds and therefore receive better pricing for its Exchange transactions based upon its SPY volume.

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 PEARL Fee Schedule.

¹⁸ See supra notes 14 and 15.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-PEARL-2017-19)

April __, 2017

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX PEARL, LLC to Amend the MIAX PEARL Fee Schedule

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 26, 2017, MIAX PEARL, LLC (“MIAX PEARL” 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 PEARL 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/pearl> at MIAX PEARL’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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

the proposed rule change. The text of these statements may be examined at the places specified 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 the Add/Remove Tiered Rebates/Fees set forth in Section 1)a) of the Fee Schedule that apply to MIAX PEARL Market Makers³ to (i) increase the “Maker” rebate in Tier 3 for transactions of options in Penny classes (as defined below), and (ii) add a new, alternative Volume Criteria to Tier 3 based upon the total monthly volume executed by a Market Maker solely in SPY options on MIAX PEARL, expressed as a percentage of total consolidated national volume in SPY options. The Exchange also proposes to make a minor, non-substantive technical correction to a definition contained in the Definitions section of the Fee Schedule, as described below.

The Exchange currently assesses transaction rebates and fees to all market participants which are based upon the total monthly volume executed by the Member⁴ on MIAX PEARL in the relevant, respective origin type (not including Excluded Contracts)⁵ expressed as a

³ “Market Maker” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange. See the Definitions Section of the Fee Schedule and Exchange Rule 100.

⁴ “Member” means an individual or organization that is registered with the Exchange pursuant to Chapter II of the Exchange Rules for purposes of trading on the Exchange as an “Electronic Exchange Member” or “Market Maker.” Members are deemed “members” under the Exchange Act. See the Definitions Section of the Fee Schedule and Exchange Rule 100.

⁵ “Excluded Contracts” means any contracts routed to an away market for execution. See the Definitions Section of the Fee Schedule.

percentage of TCV.⁶ In addition, the per contract transaction rebates and fees are applied retroactively to all eligible volume for that origin type once the respective threshold tier (“Tier”) has been reached by the Member. The Exchange aggregates the volume of Members and their Affiliates.⁷ Members that place resting liquidity, i.e., orders resting on the book of the MIAX PEARL System,⁸ are paid the specified “maker” rebate (each a “Maker”), and Members that execute against resting liquidity are assessed the specified “taker” fee (each a “Taker”). For

⁶ “TCV” means total consolidated volume calculated as the total national volume in those classes listed on MIAX PEARL for the month for which the fees apply, excluding consolidated volume executed during the period time in which the Exchange experiences an “Exchange System Disruption” (solely in the option classes of the affected Matching Engine (as defined below)). The term Exchange System Disruption, which is defined in the Definitions section of the Fee Schedule, means an outage of a Matching Engine or collective Matching Engines for a period of two consecutive hours or more, during trading hours. The term Matching Engine, which is also defined in the Definitions section of the Fee Schedule, is a part of the MIAX PEARL electronic system that processes options orders and trades on a symbol-by-symbol basis. Some Matching Engines will process option classes with multiple root symbols, and other Matching Engines may be dedicated to one single option root symbol (for example, options on SPY may 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. The Exchange believes that it is reasonable and appropriate to select two consecutive hours as the amount of time necessary to constitute an Exchange System Disruption, as two hours equates to approximately 1.4% of available trading time per month. The Exchange notes that the term “Exchange System Disruption” and its meaning have no applicability outside of the Fee Schedule, as it is used solely for purposes of calculating volume for the threshold tiers in the Fee Schedule. See the Definitions Section of the Fee Schedule.

⁷ “Affiliate” means (i) an affiliate of a Member of at least 75% common ownership between the firms as reflected on each firm’s Form BD, Schedule A, or (ii) the Appointed Market Maker of an Appointed EEM (or, conversely, the Appointed EEM of an Appointed Market Maker). An “Appointed Market Maker” is a MIAX PEARL Market Maker (who does not otherwise have a corporate affiliation based upon common ownership with an EEM) that has been appointed by an EEM and an “Appointed EEM” is an EEM (who does not otherwise have a corporate affiliation based upon common ownership with a MIAX PEARL Market Maker) that has been appointed by a MIAX PEARL Market Maker, pursuant to the process described in the Fee Schedule. See the Definitions Section of the Fee Schedule.

⁸ The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

opening transactions and ABBO uncrossing transactions, per contract transaction rebates and fees are waived for all market participants. Finally, Members are assessed lower transaction fees and receive lower rebates for order executions in standard option classes in the Penny Pilot Program⁹ (“Penny classes”) than for order executions in standard option classes which are not in the Penny Pilot Program (“Non-Penny classes”), where Members are assessed higher transaction fees and receive higher rebates.

Transaction rebates and fees applicable to all Market Makers are currently assessed according to the following table:

Origin	Tier	Volume Criteria	Per Contract Rebates/Fees for Penny Classes		Per Contract Rebates/Fees for Non-Penny Classes	
			Maker	Taker	Maker	Taker
All MIAX PEARL Market Makers	1	0.00%-0.10%	(\$0.25)	\$0.50	(\$0.30)	\$1.05
	2	Above 0.10%-0.50%	(\$0.40)	\$0.48	(\$0.60)	\$1.03
	3	Above 0.50%-0.75%	(\$0.45)	\$0.47	(\$0.65)	\$1.02
	4	Above 0.75%	(\$0.48)	\$0.47	(\$0.70)	\$1.02

The Exchange proposes to increase the “Maker” rebate amount in Tier 3 for Penny classes from (\$0.45) to (\$0.47). The purpose of increasing the amount of the rebate is to provide a greater incentive to Market Makers to reach Tier 3, thereby increasing the potential for executing more volume at the Exchange and consequently receiving a higher rebate. The Exchange believes that increased Maker volume by Market Makers in Penny classes will attract more liquidity to the Exchange, which in turn will benefit all market participants.

The Exchange also proposes to add a new, alternative Volume Criteria to Tier 3 based upon the total monthly volume executed by a Market Maker solely in SPY options on MIAX PEARL, expressed as a percentage of total consolidated national volume in SPY options.

Pursuant to this alternative Volume Criteria, a Market Maker can now reach the Tier 3 threshold

⁹ See Securities Exchange Act Release No. 79778 (January 12, 2017), 82 FR 6662 (January 19, 2017)(SR-PEARL-2016-01).

if the Market Maker's total executed monthly volume in SPY options on MIAX PEARL is above 2.0% of total consolidated national monthly volume in SPY options. To be clear, volume that is from resting liquidity (Maker) and taking liquidity (Taker) in SPY options are counted towards this alternative Volume Criteria. Accordingly, a Market Maker could now qualify for Tier 3 rebates and fees which will then be applicable to all volume executed by the Market Maker on MIAX PEARL. The two Volume Criteria available for Tier 3 are now based upon either: (a) the total monthly volume executed by the Market Maker *in all options classes on MIAX PEARL*, not including Excluded Contracts, (as the numerator), expressed as a percentage of (divided by) TCV (as the denominator); or (b) the total monthly volume executed by the Market Maker *solely in SPY options on MIAX PEARL*, not including Excluded Contracts, (as the numerator), expressed as a percentage of (divided by) SPY TCV (as the denominator). Once either Volume Criteria threshold in Tier 3 is reached by the Market Maker, the Tier 3 per contract rebates and fees will apply to all volume *in all options classes* executed by that Market Maker on MIAX PEARL.

In addition to modifying the MIAX PEARL Market Maker table to insert the new, alternative Volume Criteria threshold in Tier 3, in order to provide a clear explanation of the requirements for achieving that alternative Volume Criteria threshold in Tier 3, the Exchange is proposing to (i) amend the explanatory paragraph beneath the tables in Section 1)a) of the Fee Schedule, and (ii) add a new definition of "SPY TCV" to the Definitions Section of the Fee Schedule. The amended explanatory paragraph will clarify that (except as otherwise set forth in the Fee Schedule) the existing Volume Criteria threshold measures volume in all options classes on MIAX PEARL, and that the new, alternative Volume Criteria threshold in Tier 3 for Market Makers measures volume solely in SPY options on MIAX PEARL. The new definition of SPY TCV in the Definitions Section shall provide the following: "SPY TCV" means total

consolidated volume in SPY calculated as the total national volume in SPY for the month for which the fees apply, excluding consolidated volume executed during the period of time in which the Exchange experiences an Exchange System Disruption (solely in SPY options).

The Exchange believes that the proposed alternative Volume Criteria threshold in Tier 3 for Market Makers will provide another opportunity for those Market Makers that concentrate their trading activity in limited options classes such as SPY options to reach a higher tier. The Exchange believes that creating this alternative Volume Criteria will extend the Tier 3 fee incentives to Market Makers that concentrate their trading activity by sending significant volume in SPY options as compared to other Market Makers that do trade in the broad range of products listed on the Exchange.

Finally, the Exchange is proposing to make a minor, non-substantive technical correction to the definition of “TCV” to insert the word “of” in between the words “period” and “time.” This word was inadvertently left out of the sentence when the definition of “TCV” was initially adopted, on February 6, 2017.¹⁰

The proposed rule change is scheduled to become operative May 1, 2017.

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act¹¹ in general, and furthers the objectives of Section 6(b)(4) of the Act,¹² in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities, and 6(b)(5) of the Act,¹³ in that it is designed to prevent

¹⁰ See Securities Exchange Act Release No. 80061 (February 17, 2017), 82 FR 11676 (February 24, 2017)(SR-PEARL-2017-10).

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

¹³ 15 U.S.C. 78f(b)(1) and (b)(5).

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 Maker rebate increase in Penny classes applicable to Market Makers that reach the Tier 3 threshold is reasonable, equitable and not unfairly discriminatory because all similarly situated Market Makers are subject to the same tiered rebates and fees and access to the Exchange is offered on terms that are not unfairly discriminatory. The Exchange initially set its Maker rebates at the various volume levels based upon business determinations and an analysis of current Maker rebates and volume levels at other exchanges. For competitive and business reasons, the Exchange believes that a higher rebate to Market Makers that add liquidity in Penny classes in a higher tier will encourage Market Makers to execute more volume as a Maker in Penny classes. The Exchange believes for these reasons that offering a higher Maker rebate for transactions in Penny classes in Tier 3 for Market Makers is equitable, reasonable and not unfairly discriminatory, and thus consistent with the Act.

Furthermore, the proposed increase to the Maker rebate amount in Penny classes for Market Makers that reach Tier 3 promotes just and equitable principles of trade, fosters cooperation and coordination with persons engaged in facilitating transactions in securities, and protects investors and the public interest because the proposed increase in the rebate amount encourages Market Makers to send more orders to the Exchange which add liquidity in order to achieve higher thresholds and resulting higher rebates. To the extent that order flow which adds liquidity in Penny classes is increased by the proposal, market participants will increasingly compete for the opportunity to trade on the Exchange, including sending more orders to reach

higher tiers. The resulting increased volume and liquidity will benefit all Exchange participants by providing more trading opportunities and tighter spreads.

The Exchange's proposal to adopt the new, alternative Volume Criteria for Tier 3 based on SPY volume executed on the Exchange is reasonable, equitable, and not unfairly discriminatory, as it is a form of pricing based upon trading activity in a select symbol, which is a common practice on many U.S. options exchanges as a means to incentivize order flow to be sent to an exchange for execution in actively traded options classes. The Exchange's affiliate, Miami International Securities Exchange, LLC ("MIAX Options"), offers enhanced pricing for transactions in options underlying certain select symbols.¹⁴ SPY options are the most actively traded class. Other options exchanges' fee schedules distinguish by symbol and specifically assess different fees and rebates for transactions in select symbols and some exclusively for transactions in SPY options for the same market participants.¹⁵

The Exchange is offering an alternative Tier 3 Volume Criteria threshold based on SPY options volume in Tier 3 because, as previously mentioned, SPY options are the most actively traded options in the industry, and therefore the Exchange believes that incentivizing Market Makers that concentrate their trading activity in SPY options will consequently increase order flow sent to the Exchange, which will benefit all market participants through increased liquidity, tighter markets and order interaction.

The Exchange believes that the proposed non-substantive, technical correction will promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system because it will improve the

¹⁴ See MIAX Options Fee Schedule, Section 1)a)iii).

¹⁵ See Chicago Board Options Exchange Incorporated ("CBOE") Fees Schedule; see also NASDAQ PHLX LLC ("PHLX") Pricing Schedule, Chapter B, Section I; see further International Securities Exchange LLC ("ISE") Fee Schedule, Sections I and II.

readability of the rules. The proposed change does not alter the application of the rule. As such, the proposed change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system. In particular, the Exchange believes that the proposed rule change will provide greater clarity to Members and the public regarding the Exchange's Rules, and it is in the public interest for rules to be accurate and concise so as to eliminate the potential for confusion.

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

MIAX PEARL 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 proposed Maker rebate increase is intended to encourage the posting of liquidity. The proposed rule change should enable the Exchange to attract and compete for order flow with other exchanges and the greater rebate for adding liquidity will encourage Market Makers to submit more order flow that adds liquidity, not removes it. The Exchange also believes that paying greater rebates may create competition among market participants. However, this competition does not create an undue burden on competition but rather offers all market participants the opportunity to receive the benefit of the enhanced pricing.

Further, the Exchange believes that the proposed alternative Volume Criteria threshold in Tier 3 based on SPY options volume applicable to Market Makers provides greater incentives to those Market Makers that concentrate their trading activity in SPY options to send additional SPY orders and creates additional opportunity for additional liquidity to the market.

The Exchange does not believe that the proposed rule change to make a technical correction to its rules will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not designed to address any

competitive issues but rather is designed to add additional clarity and to remedy a minor, non-substantive issue in the text of a definition in the Fee Schedule.

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 rebates and fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule changes reflect this competitive environment because they modify 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,¹⁶ and Rule 19b-4(f)(2)¹⁷ 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.

¹⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁷ 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-PEARL-2017-19 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-PEARL-2017-19. 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-PEARL-2017-19 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.¹⁸

Brent J. Fields
Secretary

¹⁸ 17 CFR 200.30-3(a)(12).

Exhibit 5

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

MIAX PEARL Fee Schedule

Definitions

“Service Bureau” means a technology provider that offers and supplies technology and technology services to a trading firm that does not have its own proprietary system.

“SPY TCV” means total consolidated volume in SPY calculated as the total national volume in SPY for the month for which the fees apply, excluding consolidated volume executed during the period of time in which the Exchange experiences an Exchange System Disruption (solely in SPY options).

“TCV” means total consolidated volume calculated as the total national volume in those classes listed on MIAX PEARL for the month for which the fees apply, excluding consolidated volume executed during the period of time in which the Exchange experiences an Exchange System Disruption (solely in the option classes of the affected Matching Engine).

1) Transaction Rebates/Fees

a) Exchange Rebates/Fees – Add/Remove Tiered Rebates/Fees

			Per Contract Rebates/Fees for Penny Classes		Per Contract Rebates/Fees for Non-Penny Classes	
Origin	Tier	Volume Criteria	Maker	Taker	Maker	Taker
Priority Customer	1	0.00% - 0.05%	(\$0.25)	\$0.49	(\$0.85)	\$0.87
	2	Above 0.05% - 0.35%	(\$0.40)	\$0.49	(\$1.05)	\$0.86
	3	Above 0.35% - 0.50%	(\$0.50)	\$0.48	(\$1.05)	\$0.85
	4	Above 0.50% - 0.75%	(\$0.53)	\$0.48	(\$1.05)	\$0.84
	5	Above 0.75%	(\$0.54)	\$0.48	(\$1.05)	\$0.84

			Per Contract Rebates/Fees for Penny Classes		Per Contract Rebates/Fees for Non-Penny Classes	
Origin	Tier	Volume Criteria	Maker	Taker	Maker	Taker
All MIAX PEARL Market Makers	1	0.00% - 0.10%	(\$0.25)	\$0.50	(\$0.30)	\$1.05
	2	Above 0.10% - 0.50%	(\$0.40)	\$0.48	(\$0.60)	\$1.03
	3	Above 0.50% - 0.75% or Above 2.0% in SPY	(\$0.47[5])	\$0.47	(\$0.65)	\$1.02
	4	Above 0.75%	(\$0.48)	\$0.47	(\$0.70)	\$1.02

			Per Contract Rebates/Fees for Penny Classes		Per Contract Rebates/Fees for Non-Penny Classes	
Origin	Tier	Volume Criteria	Maker	Taker	Maker	Taker
Non-Priority Customer, Firm, BD, and Non-MIAX PEARL Market Makers	1	0.00% - 0.10%	(\$0.25)	\$0.50	(\$0.30)	\$1.05
	2	Above 0.10% - 0.50%	(\$0.40)	\$0.49	(\$0.60)	\$1.04
	3	Above 0.50% - 0.75%	(\$0.45)	\$0.48	(\$0.65)	\$1.04
	4	Above 0.75%	(\$0.48)	\$0.48	(\$0.70)	\$1.04

Except as otherwise set forth herein, [T]the Volume Criteria is calculated based on the total monthly volume executed by the Member in all options classes on MIAX PEARL in the relevant Origin type, not including Excluded Contracts, (as the numerator) expressed as a percentage of (divided by) TCV (as the denominator). In Tier 3 for MIAX PEARL Market Makers, the alternative Volume Criteria (above 2.0% in SPY) is calculated based on the total monthly volume executed by the Market Maker solely in SPY options on MIAX PEARL in the relevant Origin type, not including Excluded Contracts, (as the numerator) expressed as a percentage of (divided by) SPY TCV (as the denominator). The per contract transaction rebates and fees shall be applied retroactively to all eligible volume once the threshold has been reached by Member. The Exchange aggregates the volume of Members and their Affiliates in the Add/Remove Tiered Fees. The per contract transaction rebates and fees shall be waived for transactions executed during the opening and for transactions that uncross the ABBO.

b) No change.
