

Required fields are shown with yellow backgrounds and asterisks.

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"/>
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"/>
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Description
 Provide a brief description of the action (limit 250 characters, required when Initial is checked *).
 Proposal to Amend the 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 * Joseph Last Name * Ferraro
 Title * Senior Vice President and Deputy General Counsel
 E-mail * jferraro@miami-holdings.com
 Telephone * (609) 897-8492 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 04/27/2018 Senior Vice President and Deputy General Counsel
 By Joseph Ferraro 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 EFFS 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 *

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

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

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

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

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Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

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

Partial Amendment

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

1. Text of the Proposed Rule Change

(a) 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”) to establish a monthly Trading Permit Fee assessable to Members that solely clear transactions on the Exchange.

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 Fee Schedule is attached hereto as Exhibit 5.

(b) Inapplicable.

(c) Inapplicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Chief Executive Officer of the Exchange pursuant to authority delegated by the MIAX PEARL Board of Directors on December 7, 2017. 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 Deputy 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 purpose of the proposed rule change is to establish a monthly Trading Permit Fee assessable to Members³ that solely clear transactions on the Exchange. For clarity, the Exchange also proposes to adopt a related definition of “EEM Clearing Firm” (the type of Member to which this monthly Trading Permit Fee shall apply) in the “Definitions” section of the Fee Schedule. The Exchange notes that it recently adopted certain monthly Trading Permit Fees applicable to its Members (other than Members that solely clear transactions on the Exchange).⁴

Definitions

The Exchange proposes to amend the “Definitions” section of the Fee Schedule to add the new definition of “EEM Clearing Firm.” The term “EEM Clearing Firm” shall mean an EEM⁵ that solely clears transactions on the Exchange and does not connect to the Exchange via either the FIX Interface⁶ or MEO Interface.⁷

³ “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 Exchange Rule 100.

⁴ See Securities Exchange Act Release No. 82867 (March 13, 2018), 83 FR 12044 (March 19, 2018)(SR-PEARL-2018-07).

⁵ “EEM” or “Electronic Exchange Member” means the holder of a Trading Permit who is a Member representing as agent Public Customer Orders or Non-Customer Orders on the Exchange and those non-Market Maker Members conducting proprietary trading. Electronic Exchange Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

⁶ “FIX Interface” means the Financial Information Exchange interface for certain order types as set forth in Exchange Rule 516. See Exchange Rule 100. See the Definitions Section of the Fee Schedule.

Monthly EEM Clearing Firm Trading Permit Fees

The Exchange recently adopted fees applicable to Trading Permits which are issued to Members who are either EEMs or Market Makers.⁸ The Exchange charges its Members Trading Permit fees which are based upon the monthly total volume executed by the Member and its Affiliates⁹ on the Exchange across all origin types, not including Excluded Contracts,¹⁰ as compared to the TCV¹¹ in all MIAX PEARL-listed options. The Exchange adopted a tier-based fee structure that is volume-based.

⁷ “MEO Interface” means a binary order interface for certain order types as set forth in Rule 516 into the MIAX PEARL System. See Exchange Rule 100. See the Definitions Section of the Fee Schedule.

⁸ “Market Maker” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange. See Exchange Rule 100.

⁹ “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.

¹⁰ “Excluded Contracts” means any contracts routed to an away market for execution. See the Definitions Section of the Fee Schedule.

¹¹ “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

The Exchange also charges such Trading Permit Fees based upon the type of interface used by the Member to connect to the Exchange – either the FIX Interface and/or the MEO Interface. Any Member (whether EEM or Market Maker) can select either type of interface (either FIX Interface and/or MEO Interface). Each Member who uses the FIX Interface to connect to the System¹² is assessed the following Trading Permit Fees each month: (i) if its volume falls within the parameters of Tier 1 of the Non-Transaction Fees Volume-Based Tiers, or volume up to 0.30%, \$250, (ii) if its volume falls within the parameters of Tier 2 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.30% up to 0.60%, \$350, and (iii) if its volume falls with the parameters of Tier 3 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.60%, \$450.

Each Member who uses the MEO Interface to connect to the System is assessed the following Trading Permit Fees each month: (i) if its volume falls within the parameters of Tier 1 of the Non-Transaction Fees Volume-Based Tiers, or volume up to 0.30%, \$300, (ii) if its volume falls within the parameters of Tier 2 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.30% up to 0.60%, \$400, and (iii) if its volume falls with the parameters of Tier 3 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.60%, \$500. Members who use the MEO Interface may also connect to the System through the FIX Interface as well, and vice versa. Members who use the MEO Interface and who also use the FIX

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 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.

¹² The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

Interface are assessed the rates for both types of Trading Permits set forth above and receive a \$100 monthly credit towards the Trading Permit Fees applicable to such Member for MEO Interface use.

Members that solely clear transactions on the Exchange do not connect to the Exchange, as such a connection is not required to perform that clearing-only activity. Therefore, at present, Members that are EEM Clearing Firms are not assessed a monthly Trading Permit Fee. However, those Members are still utilizing the services of the Exchange, by performing that clearing-only activity. Accordingly, the Exchange is proposing to adopt a monthly Trading Permit Fee applicable to those types of Members, which the Exchange is proposing to define each as an “EEM Clearing Firm.” In particular, the Exchange proposes to assess a monthly Trading Permit Fee of \$250 to such EEM Clearing Firms, in order to cover the operational and administrative costs of such EEMs using the Exchange’s System to perform clearing-only services. Such monthly Trading Permit Fees will be assessed with respect to EEM Clearing Firms in any month the EEM Clearing Firm is certified in the membership system to clear transactions on the Exchange.

The Exchange’s affiliate, Miami International Securities Exchange, LLC (“MIAX Options”), also assesses a monthly trading permit fee, in the amount of \$1,500 per month, to its members who are clearing firms¹³ that are performing the same activity.

The proposed rule changes will become operative May 1, 2018.

b. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act¹⁴ in general, and furthers the objectives of Section 6(b)(4) of the Act¹⁵ in

¹³ See MIAX Options Fee Schedule Section 3)b).

particular, in that it is an equitable allocation of reasonable dues, fees and other charges among its members and issuers and other persons using its facilities. The Exchange also believes the proposal furthers the objectives of Section 6(b)(5) of the Act in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers and dealers.

Definition

The Exchange believes that the proposed new definition “EEM Clearing Firm” is consistent with Section 6(b)(4) of the Act in that it is fair, equitable and not unreasonably discriminatory and should improve market quality for the Exchange’s market participants. The definition applies equally to all EEMs who perform clearing-only services on the Exchange and is intended to add transparency to the Exchange’s marketplace by clarifying how the Exchange determines these EEMs from other Members in order to assess the applicable fee.

The Exchange believes that the proposed new definition “EEM Clearing Firm” is consistent with Section 6(5) of the Act in that it promotes just and equitable principles of trade for all market participants. The Exchange believes that by defining EEM Clearing Firms the Exchange is able to assess such firms a Trading Permit Fee since they use the Exchange’s System to perform clearing-only services.

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(4) and (5).

Monthly EEM Clearing Firm Trading Permit Fee

The Exchange believes that the assessment of a Trading Permit Fee to EEM Clearing Firms is reasonable, equitable, and not unfairly discriminatory. The assessment of Trading Permit Fees to Clearing Firms is done by the Exchange's affiliate, MIAX Options, as described in the Purpose section above. The Exchange also believes that the proposed fee is fair and equitable and not unreasonably discriminatory because all similarly situated EEM Clearing Firms are subject to the same fee, and access to the Exchange is offered on terms that are not unfairly discriminatory.

The Exchange believes that the proposed EEM Clearing Firm Trading Permit Fee is consistent with Section 6(b)(5) of the Act in that it promotes equitable principles of trade for all market participants. The Exchange believes that assessing such firms a Trading Permit Fee is reasonable since such firms are utilizing the Exchange's System to perform clearing-only services. Furthermore, assessing EEM Clearing Firms a Trading Permit Fee is fair and equitable since it permits the Exchange to recoup the operational and administrative costs that the Exchange does incur as a result of such firms utilizing the Exchange's System.

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

MIAX PEARL does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the assessment by the Exchange of Trading Permit Fees to EEM Clearing Firms using its facilities will not have an impact on competition. As a more recent entrant in the already highly competitive environment for equity options trading, MIAX PEARL does not have the market power necessary to set prices for services that are unreasonable or unfairly discriminatory in violation of the Act. The Exchange believes that the proposed EEM Clearing

Firm Trading Permit Fee would increase both intermarket and intramarket competition by encouraging clearing firms to provide clearing services to Members of the Exchange. MIAX PEARL's proposed EEM Clearing Firm Trading Permit Fee is similar to the fee assessed by its affiliate, MIAX Options, to its Clearing Firms but is much lower than that assessed by MIAX Options.

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.

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

The Exchange's affiliate, MIAX Options, assesses a monthly Trading Permit Fee to its Clearing Firms similar to the proposed monthly Trading Permit Fee assessable to EEM Clearing Firms by the Exchange. However, the proposed EEM Clearing Firm Trading Permit Fee by the Exchange is lower than that which is currently assessed by MIAX Options.

¹⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁷ 17 CFR 240.19b-4.

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. Completed notice of proposed rule change for publication in the Federal Register.
5. Copy of the applicable section of the MIAX PEARL Fee Schedule.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-PEARL-2018-12

April __, 2018

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 27, 2018, 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”) to establish a monthly Trading Permit Fee assessable to Members that solely clear transactions on the Exchange.

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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 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 purpose of the proposed rule change is to establish a monthly Trading Permit Fee assessable to Members³ that solely clear transactions on the Exchange. For clarity, the Exchange also proposes to adopt a related definition of “EEM Clearing Firm” (the type of Member to which this monthly Trading Permit Fee shall apply) in the “Definitions” section of the Fee Schedule. The Exchange notes that it recently adopted certain monthly Trading Permit Fees applicable to its Members (other than Members that solely clear transactions on the Exchange).⁴

Definitions

The Exchange proposes to amend the “Definitions” section of the Fee Schedule to add the new definition of “EEM Clearing Firm.” The term “EEM Clearing Firm” shall mean an

³ “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 Exchange Rule 100.

⁴ See Securities Exchange Act Release No. 82867 (March 13, 2018), 83 FR 12044 (March 19, 2018)(SR-PEARL-2018-07).

EEM⁵ that solely clears transactions on the Exchange and does not connect to the Exchange via either the FIX Interface⁶ or MEO Interface.⁷

Monthly EEM Clearing Firm Trading Permit Fees

The Exchange recently adopted fees applicable to Trading Permits which are issued to Members who are either EEMs or Market Makers.⁸ The Exchange charges its Members Trading Permit fees which are based upon the monthly total volume executed by the Member and its Affiliates⁹ on the Exchange across all origin types, not including Excluded Contracts,¹⁰ as

⁵ “EEM” or “Electronic Exchange Member” means the holder of a Trading Permit who is a Member representing as agent Public Customer Orders or Non-Customer Orders on the Exchange and those non-Market Maker Members conducting proprietary trading. Electronic Exchange Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

⁶ “FIX Interface” means the Financial Information Exchange interface for certain order types as set forth in Exchange Rule 516. See Exchange Rule 100. See the Definitions Section of the Fee Schedule.

⁷ “MEO Interface” means a binary order interface for certain order types as set forth in Rule 516 into the MIAX PEARL System. See Exchange Rule 100. See the Definitions Section of the Fee Schedule.

⁸ “Market Maker” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange. See Exchange Rule 100.

⁹ “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.

¹⁰ “Excluded Contracts” means any contracts routed to an away market for execution. See the Definitions Section of the Fee Schedule.

compared to the TCV¹¹ in all MIAX PEARL-listed options. The Exchange adopted a tier-based fee structure that is volume-based.

The Exchange also charges such Trading Permit Fees based upon the type of interface used by the Member to connect to the Exchange – either the FIX Interface and/or the MEO Interface. Any Member (whether EEM or Market Maker) can select either type of interface (either FIX Interface and/or MEO Interface). Each Member who uses the FIX Interface to connect to the System¹² is assessed the following Trading Permit Fees each month: (i) if its volume falls within the parameters of Tier 1 of the Non-Transaction Fees Volume-Based Tiers, or volume up to 0.30%, \$250, (ii) if its volume falls within the parameters of Tier 2 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.30% up to 0.60%, \$350, and (iii) if its volume falls with the parameters of Tier 3 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.60%, \$450.

¹¹ “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 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.

¹² The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

Each Member who uses the MEO Interface to connect to the System is assessed the following Trading Permit Fees each month: (i) if its volume falls within the parameters of Tier 1 of the Non-Transaction Fees Volume-Based Tiers, or volume up to 0.30%, \$300, (ii) if its volume falls within the parameters of Tier 2 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.30% up to 0.60%, \$400, and (iii) if its volume falls with the parameters of Tier 3 of the Non-Transaction Fees Volume-Based Tiers, or volume above 0.60%, \$500. Members who use the MEO Interface may also connect to the System through the FIX Interface as well, and vice versa. Members who use the MEO Interface and who also use the FIX Interface are assessed the rates for both types of Trading Permits set forth above and receive a \$100 monthly credit towards the Trading Permit Fees applicable to such Member for MEO Interface use.

Members that solely clear transactions on the Exchange do not connect to the Exchange, as such a connection is not required to perform that clearing-only activity. Therefore, at present, Members that are EEM Clearing Firms are not assessed a monthly Trading Permit Fee. However, those Members are still utilizing the services of the Exchange, by performing that clearing-only activity. Accordingly, the Exchange is proposing to adopt a monthly Trading Permit Fee applicable to those types of Members, which the Exchange is proposing to define each as an "EEM Clearing Firm." In particular, the Exchange proposes to assess a monthly Trading Permit Fee of \$250 to such EEM Clearing Firms, in order to cover the operational and administrative costs of such EEMs using the Exchange's System to perform clearing-only services. Such monthly Trading Permit Fees will be assessed with respect to EEM Clearing Firms in any month the EEM Clearing Firm is certified in the membership system to clear transactions on the Exchange.

The Exchange's affiliate, Miami International Securities Exchange, LLC ("MIAX Options"), also assesses a monthly trading permit fee, in the amount of \$1,500 per month, to its members who are clearing firms¹³ that are performing the same activity.

The proposed rule changes will become operative May 1, 2018.

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act¹⁴ in general, and furthers the objectives of Section 6(b)(4) of the Act¹⁵ in particular, in that it is an equitable allocation of reasonable dues, fees and other charges among its members and issuers and other persons using its facilities. The Exchange also believes the proposal furthers the objectives of Section 6(b)(5) of the Act in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers and dealers.

Definition

The Exchange believes that the proposed new definition "EEM Clearing Firm" is consistent with Section 6(b)(4) of the Act in that it is fair, equitable and not unreasonably discriminatory and should improve market quality for the Exchange's market participants. The definition applies equally to all EEMs who perform clearing-only services on the Exchange and is intended to add transparency to the Exchange's marketplace by clarifying how the Exchange determines these EEMs from other Members in order to assess the applicable fee.

¹³ See MIAX Options Fee Schedule Section 3)b).

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(4) and (5).

The Exchange believes that the proposed new definition “EEM Clearing Firm” is consistent with Section 6(5) of the Act in that it promotes just and equitable principles of trade for all market participants. The Exchange believes that by defining EEM Clearing Firms the Exchange is able to assess such firms a Trading Permit Fee since they use the Exchange’s System to perform clearing-only services.

Monthly EEM Clearing Firm Trading Permit Fee

The Exchange believes that the assessment of a Trading Permit Fee to EEM Clearing Firms is reasonable, equitable, and not unfairly discriminatory. The assessment of Trading Permit Fees to Clearing Firms is done by the Exchange’s affiliate, MIAX Options, as described in the Purpose section above. The Exchange also believes that the proposed fee is fair and equitable and not unreasonably discriminatory because all similarly situated EEM Clearing Firms are subject to the same fee, and access to the Exchange is offered on terms that are not unfairly discriminatory.

The Exchange believes that the proposed EEM Clearing Firm Trading Permit Fee is consistent with Section 6(b)(5) of the Act in that it promotes equitable principles of trade for all market participants. The Exchange believes that assessing such firms a Trading Permit Fee is reasonable since such firms are utilizing the Exchange’s System to perform clearing-only services. Furthermore, assessing EEM Clearing Firms a Trading Permit Fee is fair and equitable since it permits the Exchange to recoup the operational and administrative costs that the Exchange does incur as a result of such firms utilizing the Exchange’s System.

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

MIAX PEARL does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the assessment by the Exchange of Trading Permit Fees to EEM Clearing

Firms using its facilities will not have an impact on competition. As a more recent entrant in the already highly competitive environment for equity options trading, MIAX PEARL does not have the market power necessary to set prices for services that are unreasonable or unfairly discriminatory in violation of the Act. The Exchange believes that the proposed EEM Clearing Firm Trading Permit Fee would increase both intermarket and intramarket competition by encouraging clearing firms to provide clearing services to Members of the Exchange. MIAX PEARL's proposed EEM Clearing Firm Trading Permit Fee is similar to the fee assessed by its affiliate, MIAX Options, to its Clearing Firms but is much lower than that assessed by MIAX Options.

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:to-rule-comments@sec.gov). Please include File Number SR-PEARL-2018-12 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-2018-12. 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-2018-12 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).

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

MIAX PEARL Fee Schedule

Definitions

“EEM Clearing Firm” means an EEM that solely clears transactions on the Exchange and does not connect to the Exchange via either the FIX Interface or MEO Interface.

- 1) – 2) No change.
- 3) **Membership Fees**
 - a) No change.
 - b) **Monthly Trading Permit Fee**

MIAX PEARL will issue Trading Permits to Members that confer the ability to transact on MIAX PEARL. (For a complete description of MIAX PEARL Trading Permits, see MIAX PEARL Rule 200.) Members receiving Trading Permits during a particular calendar month will be assessed Trading Permit Fees according to the table below, and (except for EEM Clearing Firms) is based upon the Non-Transaction Fees Volume-Based Tiers. Monthly Trading Permit Fees will be assessed with respect to EEM Clearing Firms in any month the EEM Clearing Firm is certified in the membership system to clear transactions on the Exchange. Such fees are subject to the New Member Non-Transaction Fee Waiver.

Type of Trading Permit	Monthly MIAX PEARL Trading Permit Fee
Member that connects via the FIX Interface	Tier 1 \$250 Tier 2 \$350 Tier 3 \$450
Member that connects via the MEO Interface*	Tier 1 \$300 Tier 2 \$400 Tier 3 \$500
<u>Member that is an EEM Clearing Firm</u>	<u>\$250</u>

* Members that connect via the MEO Interface and that also connect via the FIX Interface will be assessed the rates for both types of Trading Permits set forth above, but will receive a \$100 credit towards the Trading Permit Fees set forth above for MEO Interface use.
