

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 type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" 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 *).

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

First Name * Last Name *
 Title *
 E-mail *
 Telephone * Fax

Signature
 Pursuant to the requirements of the Securities Exchange Act of 1934,
 has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.
 (Title *)

Date Senior Associate Counsel
 By

(Name *)

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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

Exhibit 1 - Notice of Proposed Rule Change *

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

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

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

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

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

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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

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

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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

MIAX PEARL, LLC (“MIAX PEARL” or the “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 Exchange Rule 514, Priority on the Exchange.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change 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 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.

Questions and comments on the proposed rule change may be directed to Gregory P. Ziegler, Senior Associate Counsel, at (609) 897-1483.

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 Exchange Rule 514, Priority on the Exchange. Specifically, the Exchange proposes to amend subsection (c), Self-Trade Protection, to broaden the protection afforded under the current rule by giving Members³ the option to have this protection apply at the market participant identifier (“MPID”)⁴ level (i.e., currently existing functionality), or at the firm level. The Exchange believes that this enhancement will provide helpful flexibility for market making firms that wish to prevent trading against all orders entered by their firm under any MPID, instead of just those entered under the same MPID.

Currently, the rule prevents orders entered by a Market Maker⁵ via the MEO Interface⁶ or the FIX Interface⁷ using the same MPID from executing against orders entered on the opposite side of the market by the same Market Maker using the same MPID via the MEO Interface or the

³ The term “Member” means an individual or organization that is registered with the Exchange pursuant to Chapter II of MIAX PEARL 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 The term “MPID” means unique market participant identifier. See Exchange Rule 100.

⁵ The term “Market Maker” or “MM” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange and that is vested with the rights and responsibilities specified in Chapter VI of the MIAX PEARL Rules. See Exchange Rule 100.

⁶ The term “MEO Interface” means a binary order interface used for submitting certain order types (as set forth in Rule 516) to the MIAX PEARL System. See Exchange Rule 100.

⁷ The term “FIX Interface” means the Financial Information Exchange interface used for submitting certain order types (as set forth in Rule 516) to the MIAX PEARL System. See Exchange Rule 100.

FIX Interface.⁸ In such a case, the System⁹ will cancel the oldest of the orders back to the entering party prior to execution.

Members of the Exchange may either be Market Makers or Electronic Exchange Members.¹⁰ Each Market Maker and Electronic Exchange Member is assigned an MPID by the Exchange for identification purposes. A Member may have multiple Market Maker MPIDs on the Exchange, therefore the possibility exists that a Member may cross its own Market Maker's orders.¹¹

The Exchange now proposes to allow members to choose to have this protection applied at either the MPID level, as currently implemented, or at the member firm level. If members choose to have this protection applied at the member firm level, the System will prohibit orders entered from different MPIDs within the Member's firm from trading against one another. The Exchange believes that the proposed enhancement will provide Members with more tailored self-trade functionality that will allow Members to manage their trading as appropriate based on the Member's business needs. While the Exchange believes that some firms will want to restrict trading interest from the same MPID, (as currently implemented), the Exchange believes that other firms will find it helpful to apply self-trade protection across all MPIDs of the same firm.

⁸ See Exchange Rule 514(c)(1).

⁹ The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

¹⁰ The term "Electronic Exchange Member" or "EEM" 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.

¹¹ The Exchange notes that if requested by an EEM, orders entered by an EEM via the MEO Interface using the same MPID will not be executed against orders entered on the opposite side of the market by the same EEM using the same MPID via the MEO Interface. In such a case, the System will cancel the oldest of the orders back to the entering party prior to execution. See Exchange Rule 514(c)(2).

The Exchange notes that similar functionality also exists on the Nasdaq Stock Market (“NASDAQ”) which prevents self-trades by MPID, or alternatively, if selected by the member, self-trade protection for all MPIDs of the firm.¹² Cboe BZX Exchange (“CboeBZX”) also has a similar rule in place which provides members the ability to apply Match Trade Prevention (“MTP”) modifiers (CboeBZX’s version of self-trade protection) based on MPID, Exchange Member, trading group, or Exchange Sponsored Participant identifiers.¹³

The Exchange will announce the implementation date of this functionality via a Regulatory Circular prior to the functionality being available on the Exchange.

b. Statutory Basis

The Exchange believes that its proposed rule changes are consistent with Section 6(b) of the Act¹⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act¹⁵ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes the proposed changes 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 by providing Market Makers with additional flexibility to configure self-trade protections offered by the Exchange. Currently, all Market Makers are provided

¹² See Nasdaq Stock Market Rule, Chapter VI, Sec. 18(c)(1).

¹³ See Cboe BZX Exchange Rule 11.9(f).

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

functionality that prevents orders entered by a Market Maker via the MEO Interface or the FIX Interface using the same MPID from executing against orders entered on the opposite side of the market by the same Market Maker using the same MPID via the MEO Interface or the FIX Interface. While this functionality is helpful, some members would prefer not to trade with orders entered under different MPIDs of the same firm. Therefore, the Exchange is proposing to provide Exchange Members flexibility with respect to how self-trade protections are implemented. Members may continue to use the current functionality, while members who prefer to prevent self-trades across different MPIDs within the same firm will now be provided with functionality that allows them to do so.

Similar functionality exists on the Nasdaq Stock Market and CboeBZX¹⁶ and the Exchange believes that the flexibility to apply self-trade protection at either the MPID or firm level would be useful to Members of MIAX PEARL. The Exchange also believes that the proposed rule change is designed to promote just and equitable principles of trade and will remove impediments to and perfect the mechanisms of a free and open market as it will enhance self-trade protections provided to MIAX PEARL Market Makers similar to those protections provided on other markets.

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 intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is designed to enhance the Exchange's current self-trade protection, and will benefit members that wish to protect their orders from trading with orders from other Market Makers within the same firm, rather than the more limited MPID

¹⁶ See supra note 12 and 13.

standard currently in use. The new functionality, which is similar to functionality already provided on CboeBZX, is also completely voluntary, and members that wish to use the current functionality may continue to do so. The Exchange does not believe that providing more flexibility to members will have any significant impact on competition. Conversely, the Exchange believes that the proposed rule change will foster competition as Market Makers may send more orders to the Exchange knowing that there is no chance that they will trade with their own orders on the other side of the market. This could result in more order flow and more liquidity on the Exchange.

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition as self-trade protection is available to all Market Makers on the Exchange. Further, the Exchange does not believe that the proposed rule change will impose any burden on inter-market competition, and rather could potentially promote inter-market competition and result in more competitive order flow to the Exchange by more widely preventing Market Makers from trading with their own orders.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A) of the Act¹⁷ and Rule 19b-4(f)(6)¹⁸ thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly

¹⁷ 15 U.S.C. 78s(b)(3)(A).

affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The proposed changes promote the protection of investors and the public interest by improving the quality of the Exchange's market by eliminating the possibility that a Market Maker may trade with its own orders on the opposite side of the market. As such, the proposal does not significantly affect the protection of investors or the public interest, rather the proposal is designed to enhance the protection of investors and the public interest by ensuring the quality and integrity of the Exchange's market. Similar functionality is already available on CboeBZX, and Members that do not wish to utilize the new functionality will be able to continue to use the self-trade protection as it exists today and will only be protected from trading with orders submitted from the same MPID.

The Exchange's proposal does not impose any significant burden on competition as the Exchange's proposal is one that broadens the scope of its existing self-trade protections for Market Makers. Therefore, the Exchange believes that the proposed rule change is well-suited for, and meets the standards applicable to, the Commission's treatment of proposals under Section 19(b)(3)(A) of the Act¹⁹ and Rule 19b-4(f)(6) thereunder.²⁰ Accordingly, for the reasons stated above, the Exchange believes that the proposed rule change is non-controversial and is therefore eligible for immediately effective treatment under the Commission's current procedures for processing rule filings.

¹⁸ 17 CFR 240.19b-4(f)(6).

¹⁹ 15 U.S.C. 78s(b)(3)(A).

²⁰ 17 CFR 240.19b-4(f)(6).

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

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.

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

The proposed rule change is based on a rule currently operative on the Nasdaq Stock Market²¹ as well as a currently operative rule on CboeBZX. The NASDAQ Rule provides for self-trade protection for orders entered by the same MPID, and also allows Members the option to have self-trade protection at the firm level for orders entered by any MPID of the firm. The CboeBZX Exchange rule provides that orders with the same Match Trade Prevent (“MTP”) modifier, originating from the same market participant identifier (“MPID”), trading group identifier, or Exchange Sponsored Participant identifier, will be prevented with executing against a resting opposite side order also designated with the MTP modifier.²²

The Exchange’s proposal is substantially similar to the NASDAQ Rule, as the Exchange similarly provides self-trade protection at the MPID level and now proposes to offer self-trade protection at the firm level for all market maker MPIDs of a firm.

²¹ See supra note 12.

²² See supra note 13.

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

Not applicable.

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

Not applicable.

11. Exhibits

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

5. Text of proposed changes to rule text.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-PEARL-2018-15)

August __, 2018

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX PEARL, LLC to Exchange Rule 514, Priority on the 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 notice is hereby given that on August 1, 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 Exchange Rule 514, Priority 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.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

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

1. Purpose

The Exchange proposes to amend Exchange Rule 514, Priority on the Exchange. Specifically, the Exchange proposes to amend subsection (c), Self-Trade Protection, to broaden the protection afforded under the current rule by giving Members³ the option to have this protection apply at the market participant identifier (“MPID”)⁴ level (i.e., currently existing functionality), or at the firm level. The Exchange believes that this enhancement will provide helpful flexibility for market making firms that wish to prevent trading against all orders entered by their firm under any MPID, instead of just those entered under the same MPID.

Currently, the rule prevents orders entered by a Market Maker⁵ via the MEO Interface⁶ or the FIX Interface⁷ using the same MPID from executing against orders entered on the opposite side of the market by the same Market Maker using the same MPID via the MEO Interface or the

³ The term “Member” means an individual or organization that is registered with the Exchange pursuant to Chapter II of MIA X PEARL 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 The term “MPID” means unique market participant identifier. See Exchange Rule 100.

⁵ The term “Market Maker” or “MM” means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange and that is vested with the rights and responsibilities specified in Chapter VI of the MIA X PEARL Rules. See Exchange Rule 100.

⁶ The term “MEO Interface” means a binary order interface used for submitting certain order types (as set forth in Rule 516) to the MIA X PEARL System. See Exchange Rule 100.

⁷ The term “FIX Interface” means the Financial Information Exchange interface used for submitting certain order types (as set forth in Rule 516) to the MIA X PEARL System. See Exchange Rule 100.

FIX Interface.⁸ In such a case, the System⁹ will cancel the oldest of the orders back to the entering party prior to execution.

Members of the Exchange may either be Market Makers or Electronic Exchange Members.¹⁰ Each Market Maker and Electronic Exchange Member is assigned an MPID by the Exchange for identification purposes. A Member may have multiple Market Maker MPIDs on the Exchange, therefore the possibility exists that a Member may cross its own Market Maker's orders.¹¹

The Exchange now proposes to allow members to choose to have this protection applied at either the MPID level, as currently implemented, or at the member firm level. If members choose to have this protection applied at the member firm level, the System will prohibit orders entered from different MPIDs within the Member's firm from trading against one another. The Exchange believes that the proposed enhancement will provide Members with more tailored self-trade functionality that will allow Members to manage their trading as appropriate based on the Member's business needs. While the Exchange believes that some firms will want to restrict trading interest from the same MPID, (as currently implemented), the Exchange believes that other firms will find it helpful to apply self-trade protection across all MPIDs of the same firm.

⁸ See Exchange Rule 514(c)(1).

⁹ The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

¹⁰ The term "Electronic Exchange Member" or "EEM" 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.

¹¹ The Exchange notes that if requested by an EEM, orders entered by an EEM via the MEO Interface using the same MPID will not be executed against orders entered on the opposite side of the market by the same EEM using the same MPID via the MEO Interface. In such a case, the System will cancel the oldest of the orders back to the entering party prior to execution. See Exchange Rule 514(c)(2).

The Exchange notes that similar functionality also exists on the Nasdaq Stock Market (“NASDAQ”) which prevents self-trades by MPID, or alternatively, if selected by the member, self-trade protection for all MPIDs of the firm.¹² Cboe BZX Exchange (“CboeBZX”) also has a similar rule in place which provides members the ability to apply Match Trade Prevention (“MTP”) modifiers (CboeBZX’s version of self-trade protection) based on MPID, Exchange Member, trading group, or Exchange Sponsored Participant identifiers.¹³

The Exchange will announce the implementation date of this functionality via a Regulatory Circular prior to the functionality being available on the Exchange.

2. Statutory Basis

MIAX PEARL believes that its proposed rule changes are consistent with Section 6(b) of the Act¹⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act¹⁵ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes the proposed changes 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 by providing Market Makers with additional flexibility to configure self-trade protections offered by the Exchange. Currently, all Market Makers are provided functionality that prevents orders entered by a Market Maker via the MEO Interface or the FIX

¹² See Nasdaq Stock Market Rule, Chapter VI, Sec. 18(c)(1).

¹³ See Cboe BZX Exchange Rule 11.9(f).

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

Interface using the same MPID from executing against orders entered on the opposite side of the market by the same Market Maker using the same MPID via the MEO Interface or the FIX Interface. While this functionality is helpful, some members would prefer not to trade with orders entered under different MPIDs of the same firm. Therefore, the Exchange is proposing to provide Exchange Members flexibility with respect to how self-trade protections are implemented. Members may continue to use the current functionality, while members who prefer to prevent self-trades across different MPIDs within the same firm will now be provided with functionality that allows them to do so.

Similar functionality exists on the Nasdaq Stock Market and CboeBZX¹⁶ and the Exchange believes that the flexibility to apply self-trade protection at either the MPID or firm level would be useful to Members of MIAX PEARL. The Exchange also believes that the proposed rule change is designed to promote just and equitable principles of trade and will remove impediments to and perfect the mechanisms of a free and open market as it will enhance self-trade protections provided to MIAX PEARL Market Makers similar to those protections provided on other markets.

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 intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is designed to enhance the Exchange's current self-trade protection, and will benefit members that wish to protect their orders from trading with orders from other Market Makers within the same firm, rather than the more limited MPID standard currently in use. The new functionality, which is similar to functionality already provided on CboeBZX, is also completely voluntary, and members that wish to use the current

¹⁶ See supra note 12 and 13.

functionality may continue to do so. The Exchange does not believe that providing more flexibility to members will have any significant impact on competition. Conversely, the Exchange believes that the proposed rule change will foster competition as Market Makers may send more orders to the Exchange knowing that there is no chance that they will trade with their own orders on the other side of the market. This could result in more order flow and more liquidity on the Exchange.

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition as self-trade protection is available to all Market Makers on the Exchange. Further, the Exchange does not believe that the proposed rule change will impose any burden on inter-market competition, and rather could potentially promote inter-market competition and result in more competitive order flow to the Exchange by more widely preventing Market Makers from trading with their own orders.

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

Written comments were neither solicited nor received.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act¹⁷ and Rule 19b-4(f)(6)¹⁸ thereunder.

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change,

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.

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-2018-15 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-2018-15. 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>).

or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-2018-15 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.¹⁹

Brent J. Fields
Secretary

¹⁹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

MIAX PEARL, LLC Rules

Rule 514. Priority on the Exchange

(a) - (b) No change

(c) Self-Trade Protection.

(1) Orders entered by a Market Maker via the MEO Interface or the FIX Interface [using the same MPID]will not be executed against orders entered on the opposite side of the market by [the same](i) a Market Maker of the same firm[using the same MPID via the MEO Interface or the FIX Interface], or alternatively, if selected by the Member, (ii) a Market Maker with the same MPID. In [such a]either case, the System will cancel the oldest of the orders back to the entering party prior to execution.

(2) No change
