

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104583; File No. SR-PEARL-2025-53]

## **Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the MIAX Pearl Equities Fee Schedule to Adopt a New Market Quoting Program**

January 13, 2026.

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 31, 2025, 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 proposes to amend the fee schedule (the “Fee Schedule”) applicable to MIAX Pearl Equities, an equities trading facility of the Exchange, to adopt a new Market Quoting Program (described below) to provide an enhanced rebate for executions of orders in securities priced at or above \$1.00 per share during the Early,<sup>3</sup> Regular,<sup>4</sup> and Late Trading Sessions<sup>5</sup> (together “all trading sessions”) that add displayed liquidity to the Exchange across all

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

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

<sup>3</sup> The term “Early Trading Session” shall mean the time between 4:00 a.m. and 9:30 a.m. Eastern Time. See Exchange Rule 1901.

<sup>4</sup> The term “Regular Trading Session” shall mean the time between the completion of the Opening Process or Contingent Open as defined in Exchange Rule 2615 and 4:00 p.m. Eastern Time. See Exchange Rule 1901.

<sup>5</sup> The term “Late Trading Session” shall mean the time between 4:00 p.m. and 8:00 p.m. Eastern Time. See Exchange Rule 1901.

Tapes and where the Equity Member<sup>6</sup> meets certain market quality measures in a certain number of securities.

The text of the proposed rule change is available on the Exchange's website at <https://www.miaxglobal.com/markets/us-options/pearl-options/rule-filings> and at MIAX Pearl's principal office.

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 Exchange proposes to amend Section 1)d) of the Fee Schedule to remove the heading "Reserved." and replace it with "Market Quoting Program".

Under the proposed Market Quoting Program, the Exchange will provide an enhanced rebate of (\$0.0026)<sup>7</sup> per share for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to the Exchange across all Tapes in all trading sessions for an Equity Member that achieves a "Percent Time at NBBO"<sup>8</sup> of at least 50% in at least 750

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<sup>6</sup> The term "Equity Member" is a Member authorized by the Exchange to transact business on MIAX Pearl Equities. See Exchange Rule 1901.

<sup>7</sup> Rebates are indicated by parentheses. See the General Notes section of the Fee Schedule.

<sup>8</sup> "Percent Time at NBBO" means the aggregate of the percentage of time during regular trading hours where a Member has a displayed order of at least one round lot at the national best bid ("NBB") or national best

securities that are multi-listed securities on the Exchange during the relevant month. The Liquidity Indicator Codes applicable to this rebate will be as follows: AA, EA, FA, AB, EB, FB, AC, EC, and FC.<sup>9</sup> Equity Members who achieve and receive this rebate will not be eligible for the NBBO Setter Additive Rebate<sup>10</sup> or NBBO First Joiner Additive Rebate<sup>11</sup>. Equity Members will receive the higher rebate of either the tiered rebates set forth in the NBBO Setter Plus Table under the NBBO Setter Plus Program<sup>12</sup> or the enhanced rebate provided by the proposed Market Quoting Program. The Exchange notes that the enhanced rebate provided under the proposed Market Quoting Program will not apply to executions of orders in securities priced below \$1.00 per share across all Tapes.

The proposed Market Quoting Program is designed to encourage Equity Members, through the provision of an enhanced rebate for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to the Exchange across all Tapes in all trading sessions, to promote price discovery and market quality by quoting at the NBBO for a significant

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offer (“NBO”). For the avoidance of doubt, only orders that are at the NBB or NBO during the Regular Trading Session count towards the Percent Time at NBBO calculation. See Fee Schedule, Definitions.

<sup>9</sup> See Fee Schedule, Sections 1)a)-b).

<sup>10</sup> The NBBO Setter Additive Rebate is an additive rebate of (\$0.00035) per share for executions of orders in securities priced at or above \$1.00 per share that set the NBB or NBO on MIAX Pearl Equities with a minimum size of a round lot. Equity Members must execute at least 0.015% of NBBO Set Volume as a percentage of TCV during the relevant month to qualify for this rebate. See Fee Schedule, Section 1)c). “NBBO Set Volume” means the ADAV in all securities of an Equity Member that sets the NBB or NBO on MIAX Pearl Equities. See id. “TCV” means total consolidated volume calculated as the volume in shares reported by all exchanges and reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. Id.

<sup>11</sup> The NBBO First Joiner Additive Rebate is an additive rebate of (\$0.0001) per share for executions of orders in securities priced at or above \$1.00 per share that bring MIAX Pearl Equities to the established NBB or NBO with a minimum size of a round lot. Equity Members must execute at least 0.015% of NBBO Set Volume as a percentage of TCV during the relevant month to qualify for this rebate. See Id.

<sup>12</sup> In general, the NBBO Setter Plus Program provides enhanced rebates for Equity Members that add displayed liquidity in securities priced at or above \$1.00 per share in all Tapes based on increasing volume thresholds and increasing market quality levels. See Fee Schedule, Section 1)c), NBBO Setter Plus Table. The Exchange will continue calculating the rebates for Equity Members who qualify for the enhanced rebates set forth in the NBBO Setter Plus Program under Section 1)c) of the Fee Schedule. Equity Members will not need to opt in any of the rebate programs offered by the Exchange.

portion of each month in at least 750 multi-listed securities across all Tapes, thereby benefitting investors by providing improved trading conditions for all market participants through narrower bid-ask spreads and increased depth of liquidity available at the NBBO in these securities. The Exchange notes that the proposed Market Quoting Program is comparable to other quoting-based incentives offered by other exchanges, which offer pricing incentives applicable to a specific set of securities based on a member's market quality measurement over a specified period of time.<sup>13</sup>

### Implementation

The proposed changes are effective beginning January 1, 2026.

## 2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act<sup>14</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>15</sup> in particular, in that the proposed changes are an equitable allocation of reasonable fees and other charges among the Exchange's Equity Members and issuers and other persons using its facilities. The Exchange also believes that the proposal is consistent with the objectives of Section 6(b)(5)<sup>16</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, and to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing

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<sup>13</sup> See MEMX LLC ("MEMX") Equities Fee Schedule, Additive Rebates section, available at <https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/> (providing additive rebate of \$0.0002 per share for a member that has an NBBO time of at least 50% in an average of at least 500 Tape C securities per trading day during the month); see also, e.g., Securities Exchange Act Release Nos. 102789 (April 8, 2025) 90 FR 15600 (April 14, 2025) (SR-MEMX-2025-09) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Exchange's Equities Fee Schedule Concerning Additive Rebates); see also 77846 (May 17, 2016) 81 FR 32356 (May 23, 2016) (SR-BatsBZX-2016-18) (Notice of filing and immediate effectiveness of a proposed rule change to Rules 15.1(a) and (c) in order to implement a Tape B Quoting Tier).

<sup>14</sup> 15 U.S.C. 78f(b).

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

<sup>16</sup> 15 U.S.C 78f(b)(5).

information with respect to, and facilitating transactions in securities, 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, particularly, is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange operates in a highly fragmented and competitive market in which market participants can readily direct their order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of seventeen registered equities exchanges, and there are a number of alternative trading systems and other off-exchange venues, to which market participants may direct their order flow. For the month of November 2025, based on publicly available information, no single registered equities exchange had more than approximately 14.55% of the total market share of executed volume of equities trading.<sup>17</sup> Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. For the month of November 2025, the Exchange represented 0.96% of the total market share of executed volume of equities trading.<sup>18</sup> The Securities and Exchange Commission (“Commission”) and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>19</sup>

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<sup>17</sup> See the “Market Share” section of the Exchange’s website, available at <https://www.miaxglobal.com/> (last visited December 17, 2025).

<sup>18</sup> Id.

<sup>19</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37499 (June 29, 2005).

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or discontinue to reduce use of certain categories of products, in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. The Exchange believes the proposal reflects a reasonable and competitive pricing structure designed to continue to incentivize market participants to increase their quoting at the NBBO (or better) on the Exchange, which will enhance market quality in both a broad manner and in a targeted manner with respect to the Markey Quoting Program, which the Exchange believes would promote price discovery and enhance liquidity and market quality on the Exchange to the benefit of all Equity Members and market participants.

The Exchange believes that the proposed change to adopt the Market Quoting Program that would provide an enhanced rebate for executions of orders in securities priced at or above \$1.00 per share during all trading sessions that add displayed liquidity to the Exchange across all Tapes when certain market quality measurements are met is reasonable because, as described above, such change is designed to encourage Equity Members to increase their order flow, including in the form of displayed, NBBO-setting orders under the required criteria, as applicable, to the Exchange. The Exchange believes, in turn, this will promote price discovery, enhance liquidity and market quality, and contribute to a more robust and well-balanced market ecosystem on the Exchange to the benefit of all Equity Members and market participants. In addition, the Exchange believes its proposal is reasonable and consistent with an equitable allocation of fees to pay a higher rebate than the base rebate for executions of orders in securities priced at or above \$1.00 per share during all trading sessions that add displayed liquidity to the

Exchange across all Tapes to Equity Members that qualify for the Market Quoting Program because of the additional commitment to market quality reflected in the associated quoting requirements.

The Exchange notes that volume and quoting-based incentives have been widely adopted by exchanges, including the Exchange, and are reasonable, equitable and not unfairly discriminatory because they are open to all Equity Members on an equal basis and provide additional benefits that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and the introduction of higher volumes of orders into the price and volume discovery process. Furthermore, as noted above, the proposed Market Quoting Program is similar in structure and purpose to pricing programs in place at other exchanges that are designed to enhance market quality.<sup>20</sup> Specifically, these programs provide a higher and/or additive rebate for executions of a certain subset of securities that achieve minimum quoting standards, including minimum quoting at the NBBO in a large number of securities, generally, or certain designated securities, in particular.

For the reasons discussed above, the Exchange submits that the proposal satisfies the requirements of Sections 6(b)(4) and 6(b)(5) of the Act in that it provides for the equitable allocation of reasonable dues, fees and other charges among its Equity Members and other persons using its facilities and is not designed to unfairly discriminate between customers, issuers, brokers, or dealers. As described more fully below in the Exchange's statement regarding the burden on competition, the Exchange believes that its transaction pricing is subject to significant competitive forces, and that the proposed enhanced rebate described herein is

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<sup>20</sup> See supra note 13.

appropriate to address such forces.

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

The Exchange does not believe that the proposed changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the proposal is intended to enhance market quality on the Exchange in a large number of securities and to incentivize market participants to direct additional order flow to the Exchange, thereby enhancing liquidity and market quality on the Exchange to the benefit of all Equity Members and market participants. As a result, the Exchange believes the proposal would enhance its competitiveness as a market that attracts actionable orders, thereby making it a more desirable destination venue for its customers. For these reasons, the Exchange believes that the proposal furthers the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."<sup>21</sup>

Intramarket Competition

The Exchange does not believe that the proposal will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange believes that the proposal would incentivize Equity Members to promote price discovery and market quality by quoting at the NBBO for a significant portion of each month in a large number of securities across all Tapes, thereby contributing to a deeper and more liquid market to the benefit of all market participants and enhancing the attractiveness of the Exchange as a trading venue. The Exchange, in turn, believes this will continue to encourage market participants to direct additional order flow to the Exchange. The opportunity to qualify

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<sup>21</sup> See supra note 19.



for the Market Quoting Program and thus receive the corresponding enhanced rebate for executions of orders in securities priced at or above \$1.00 per share during all trading sessions that add displayed liquidity to the Exchange across all Tapes would be available to all Equity Members that meet the associated criteria for the Market Quoting Program in any month. As such, the Exchange believes the proposed change would not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act.

#### Intermarket Competition

The Exchange believes its proposal will benefit competition as the Exchange operates in a highly competitive market. Equity Members have numerous alternative venues they may participate on and direct their order flow to, including seventeen other equities exchanges and numerous alternative trading systems and other off-exchange venues. As noted above, no single registered equities exchange currently has more than approximately 14.55% of the total market share of executed equities volume. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. Moreover, the Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow in response to new or different pricing structures being introduced to the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates generally, including with respect to executions of all orders in securities priced at or above \$1.00 per share during all trading sessions that add displayed or non-displayed liquidity to the Exchange across all Tapes. Market participants can readily choose to send their orders to other exchanges and off-exchange venues if they deem fee levels at those other venues to be more favorable. As described above, the proposed change is a competitive proposal through which the Exchange is seeking to encourage additional order flow and quoting activity on the Exchange and to promote market quality

through pricing incentives that are comparable to incentives in place at other exchanges.<sup>22</sup>

Accordingly, the Exchange believes the proposal would not burden, but rather promote intermarket competition by enabling it to better compete with other exchanges that offer similar incentives to market participants that enhance market quality and/or achieve certain quoting requirements.

Additionally, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>23</sup> The fact that this market is competitive has also long been recognized by the courts. In NetCoalition v. Securities and Exchange Commission, the D.C. circuit stated: “[n]o one disputes that competition for order flow is ‘fierce.’ . . . As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their routing agents, have a wide range of choices of where to route orders for execution’; [and] ‘no exchange can afford to take its market share percentages for granted’ because ‘no exchange possess a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers’ . . . .”<sup>24</sup> Accordingly, the Exchange does not believe that this proposal would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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<sup>22</sup> See supra note 13.

<sup>23</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

<sup>24</sup> See NetCoalition v. SEC, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSE-2006-21)).

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

Written comments were neither solicited nor received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>25</sup> and Rule 19b-4(f)(2)<sup>26</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-PEARL-2025-53 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange

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<sup>25</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>26</sup> 17 CFR 240.19b-4(f)(2).

Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-PEARL-2025-53. This file number should be included on the subject line if email 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 website (<https://www.sec.gov/rules/sro.shtml>).

Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-PEARL-2025-53 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>27</sup>

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

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<sup>27</sup> 17 CFR 200.30-3(a)(12).