

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106179; File No. SR-PEARL-2026-38]

Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 404, Series of Option Contracts Open for Trading, to Amend the Short Term Option Series Program with Respect to Qualifying Securities

August 24, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 13, 2026, MIAX PEARL, LLC (“MIAX Pearl” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II 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 Short Term Option Series Program with respect to Qualifying 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 the Exchange’s principal office.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 the Short Term Options Series Program in Interpretation and Policy .02 to Exchange Rule 404. Specifically, the Exchange proposes to amend the Qualifying Securities to: (1) permit the listing of up to two Tuesday and Thursday Expirations for options on certain Exchange Traded Funds that meet the current criteria in addition to the existing Monday and Wednesday Expirations; and (2) permit the listing of up to two Monday and Wednesday Expirations for options on additional Exchange-Traded Fund Shares that meet new criteria. The Exchange also proposes to designate the Exchange-Traded Fund Shares that meet the current criteria in Interpretation and Policy .02 to Exchange Rule 404 as “Tier 1 Qualifying Securities” and designate the Exchange-Traded Fund Shares that meet the proposed new set of criteria for Qualifying Securities that would only be permitted to trade up to two Monday and Wednesday Expirations, as “Tier 2 Qualifying Securities.” This proposed rule change is based on a similar proposal submitted by Nasdaq ISE, LLC (“ISE”) and approved by the Commission.³

³ See Securities Exchange Act Release No. 106100 (August 12, 2026) (Self-Regulatory Organizations; Nasdaq ISE, LLC; Order Approving a Proposed Rule Change to Amend the Short Term Option Series Program Related to Qualifying Securities) (SR-ISE-2026-34).

Currently, as set forth in Interpretation and Policy .02 to Exchange Rule 404, after an option class has been approved for listing and trading on the Exchange as a Short Term Option Series,⁴ the Exchange may open for trading on any Thursday or Friday that is a business day (“Short Term Option Opening Date”) series of options on that class that expire at the close of business on each of the next five Fridays that are business days and are not Fridays in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Friday Short Term Option Expiration Dates”). The Exchange may have no more than a total of five Short Term Option Expiration Dates (“Short Term Option Weekly Expirations”). Further, if the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date for Short Term Option Weekly Expirations will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on a Friday, the Short Term Option Expiration Date for Short Term Option Weekly Expirations will be the first business day immediately prior to that Friday.

Additionally, the Exchange may open for trading series of options on the symbols provided in Table 1 of Interpretation and Policy .02 to Exchange Rule 404 that expire at the close of business on each of the next two Mondays, Tuesdays, Wednesdays, and Thursdays, respectively, that are business days beyond the current week and are not business days in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire

⁴ The term “Short Term Option Series” means a series in an option class that is approved for listing and trading on the Exchange in which the series is opened for trading on any Monday, Tuesday, Wednesday, Thursday or Friday that is a business day and that expires on the Monday, Tuesday, Wednesday, Thursday, or Friday of the next business week, or, in the case of a series that is listed on a Friday and expires on a Monday, is listed one business week and one business day prior to that expiration. If a Tuesday, Wednesday, Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Tuesday, Wednesday, Thursday or Friday, respectively. For a series listed pursuant to this section for Monday expiration, if a Monday is not a business day, the series shall expire on the first business day immediately following that Monday. See Exchange Rule 100.

(“Short Term Option Daily Expirations”).⁵ For those symbols listed in Table 1, the Exchange may have no more than a total of two Short Term Option Daily Expirations beyond the current week for each of Monday, Tuesday, Wednesday, and Thursday expirations, as applicable, at one time.

Further, the Exchange may open for trading series of options on the symbols provided in Table 2 of Interpretation and Policy .02 to Exchange Rule 404 that expire on the close of business on each of the next two Mondays and Wednesdays, respectively, that are business days beyond the current week and are not business days in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Qualifying Securities”). For those symbols listed in Table 2, the Exchange may have no more than a total of two Short Term Option Daily Expirations beyond the current week for each of Monday and Wednesday Expirations, at one time. Qualifying Securities may be eligible individual stocks or Exchange-Traded Fund Shares that meet the following criteria on a quarterly basis:

(1) an underlying security, as measured on the last day of the prior calendar quarter, must have:

(A) a market capitalization of greater than 700 billion dollars for an individual stock based on the closing price,⁶ or

(B) Assets under Management (“AUM”) greater than 50 billion dollars for an Exchange-Traded Fund Share based on net asset value (“NAV”);

(2) monthly options volume, as measured by sides traded in the last month preceding the quarter end, of greater than 10 million options;

(3) a position limit of at least 250,000 contracts; and

(4) participate in the Penny Interval Program.

⁵ As set forth in Table 1 of Interpretation and Policy .02 to Exchange Rule 404, the Exchange currently permits expirations in SPY, IWM, QQQ on Mondays, Tuesdays, Wednesdays and Thursdays. Also, the Exchange permits expirations in GLD, SLV and TLT on Mondays and Wednesdays. Finally, the Exchange permits expirations in USO and UNG on Wednesdays.

⁶ The closing price and the opening price shall be that of the primary exchange where the security is listed.

Each calendar quarter, the Exchange will apply the above criteria to individual stocks and Exchange-Traded Fund Shares to determine eligibility for the following quarter as a Qualifying Security. Beginning on the second trading day in the first month of each calendar quarter, the market capitalization of individual stocks shall be calculated based on the closing price established on the primary exchange on the last trading day of the prior calendar quarter and the AUM for Exchange-Traded Fund Shares shall be calculated based on the NAV established on the primary exchange on the last trading day of the prior calendar quarter. The data establishing the volume thresholds will be established by using data from the last month of the prior calendar quarter from The Options Clearing Corporation. For options listed on the first trading day of a given calendar quarter, the volume shall be calculated using the last month of the quarter prior to that trading calendar quarter.⁷ The Exchange will make the list of Qualifying Securities available by the close of business on the first trading day of the quarter.⁸

Eligible Qualifying Securities would be permitted to list two Short Term Option Expiration Dates beyond the current week for each Monday and Wednesday expiration at one time. For Qualifying Securities, the Exchange would not list an expiry on a day when there will be an Earnings Announcement that takes place after market close.⁹

Qualifying Securities that do not continue to meet the above criteria would no longer be permitted to list Monday and Wednesday expiries beginning on the second day of the following quarter.

⁷ OCC data becomes available for the end of a quarter on the first trading day of a new quarter.

⁸ The Exchange makes this information available on its website.

⁹ With respect to individual stock options, the Exchange does not list an expiry on a day when there will be an Earnings Announcement that takes place after market close with respect to individual stock to avoid permitting an additional expiry on a day where post-close price volatility may be impacted due to the Earnings Announcement. Pursuant to Interpretation and Policy .02 to Exchange Rule 404, an Earnings Announcement shall include official public quarterly or yearly earnings filed with the Securities and Exchange Commission.

Proposal

At this time, the Exchange proposes to amend the listing and trading of Qualifying Securities to: (1) permit the listing of up to two Tuesday and Thursday Expirations for options on certain Exchange-Traded Funds that meet the current criteria in addition to the existing Monday and Wednesday Expirations; and (2) permit the listing of up to two Monday and Wednesday Expirations for options on additional Exchange-Traded Fund Shares that meet new additional criteria. As noted above, the Exchange proposes to designate the Exchange-Traded Fund Shares that meet the current criteria in Interpretation and Policy .02 to Exchange Rule 404 as “Tier 1 Qualifying Securities” and designate the Exchange-Traded Fund Shares that meet the proposed new set of criteria for Qualifying Securities that would only be permitted to trade up to two Monday and Wednesday Expirations, as “Tier 2 Qualifying Securities.”

Expansion of Exchange-Traded Fund Shares Qualifying Securities

In January 2026, the Exchange filed to permit the listing of Qualifying Securities, and the filing was noticed for immediate effectiveness.¹⁰ The Exchange began listing Qualifying Securities on January 26, 2026 on Tesla, Inc. (TSLA); NVIDIA Corporation (NVDA); Apple Inc. (AAPL); iShares Bitcoin Trust ETF (IBIT); Amazon.com, Inc. (AMZN); Meta Platforms, Inc. (META); Broadcom Inc. (AVGO); Alphabet, Inc. (GOOGL); and Microsoft Corporation (MSFT).¹¹ These securities continue to trade in the second calendar quarter of 2026.¹² Based on the required review, the Exchange changed the list by removing IBIT, and adding Advanced

¹⁰ See Securities Exchange Act Release No. 104659 (January 22, 2026), 91 FR 3574 (January 27, 2026) (SR-PEARL-2026-03) (Self-Regulatory Organizations; MIA X PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 404, Series of Options Contracts Open for Trading, To Amend the Short Term Option Series Program).

¹¹ <https://www.miaxglobal.com/alert/2026/01/20/miax-exchange-group-options-markets-listing-monday-and-wednesday-weekly-0>.

¹² <https://www.miaxglobal.com/alert/2026/04/06/miax-exchange-group-options-markets-listing-monday-and-wednesday-weekly-2>.

Micro Devices, Inc.(AMD), Intel Corporation (INTC), Micron Technology, Inc. (MU), VanEck Semiconductor ETF (SMH), and Financial Select Sector SPDR Fund (XLF) to the list of securities qualifying for the program in the third calendar quarter of 2026.¹³

Tier 1 Expansion

At this time, the Exchange proposes to permit the listing and trading of Qualifying Securities on Exchange-Traded Fund Shares that meet the current criteria in Interpretation and Policy .02 to Exchange Rule 404 to list up to two Tuesday and Thursday Expirations in addition to the existing Monday and Wednesday Expirations and redesignate them as Tier 1 Qualifying Securities.

The proposed Tuesday Qualifying Securities expirations on Exchange-Traded Fund Shares for Tier 1 Qualifying Securities will be similar to the current Tuesday Expirations in SPDR S&P 500 ETF Trust (“SPY”), Invesco QQQ Trust (“QQQ”), and iShares Russell 2000 ETF (“IWM”) in Short Term Option Daily Expirations set forth in Interpretation and Policy .02 to Exchange Rule 404, such that the Exchange may open for trading on any Monday or Tuesday that is a business day series of options on the symbols provided in Table 1 and Table 2 that expire at the close of business on each of the next two Tuesdays that are business days and are not business days in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Tuesday Short Term Option Expiration Date”).¹⁴ In the event Tier 1 Qualifying Securities expire on a Tuesday and that Tuesday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks

¹³ <https://www.miaxglobal.com/alert/2026/07/01/miax-exchange-group-options-markets-listing-monday-and-wednesday-weekly-1>.

¹⁴ They may also trade on Fridays, as is the case for all options series in the Short Term Option Series Program.

would therefore not be consecutive. Today, Tuesday Expirations in SPY, QQQ, and IWM similarly skip the weekly listing in the event the weekly listing expires on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The proposed Thursday Qualifying Securities expirations on Exchange-Traded Fund Shares for Tier 1 Qualifying Securities will be similar to the current Thursday SPY, QQQ, and IWM in Short Term Option Daily Expirations set forth Interpretation and Policy .02 to Exchange Rule 404, such that the Exchange may open for trading on any Wednesday or Thursday that is a business day series of options on the symbols provided in Table 1 and Table 2 above that expire at the close of business on each of the next two Thursdays that are business days and are not business days in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Thursday Short Term Option Expiration Date”).¹⁵ In the event Tier 1 Qualifying Securities expire on a Thursday and that Thursday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks would therefore not be consecutive. Today, Thursday Expirations in SPY, QQQ, and IWM similarly skip the weekly listing in the event the weekly listing expires on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The interval between strike prices for the proposed Tuesday and Thursday Tier 1 Qualifying Securities Expirations will be the same as those currently applicable for SPY, QQQ, and IWM Tuesday and Thursday Expirations (among other symbols that may list a Tuesday or

¹⁵ Id.

Thursday Expiration) in the Short Term Option Series Program.¹⁶ Specifically, the Tuesday and Thursday Tier 1 Qualifying Securities Expirations will have a strike interval of (i) \$0.50 or greater for strike prices below \$100, and \$1 or greater for strike prices between \$100 and \$150 for all option classes that participate in the Short Term Option Series Program, (ii) \$0.50 for option classes that trade in one dollar increments and are in the Short Term Option Series Program, or (iii) \$2.50 or greater for strike prices above \$150.¹⁷ As is the case with other equity options series listed pursuant to the Short Term Option Series Program, Tuesday and Thursday Tier 1 Qualifying Securities Expirations series will be P.M.-settled.

Pursuant to Exchange Rule 100, with respect to the Short Term Option Series Program, if a Tuesday is not a business day, the series shall expire on the first business day immediately prior to that Tuesday, e.g., Monday of that week if the Tuesday is not a business day. Also, pursuant to Exchange Rule 100, with respect to the Short Term Options Series Program, a Thursday expiration series shall expire on the first business day immediately prior to that Thursday, e.g., Wednesday of that week if the Thursday is not a business day.

Currently, for each option class eligible for participation in the Short Term Option Series Program, the Exchange is limited to opening thirty (30) series for each expiration date for the specific class.¹⁸ The thirty (30) series restriction does not include series that are open by other securities exchanges under their respective weekly rules; the Exchange may list these additional series that are listed by other options exchanges.¹⁹ With the proposed changes, this thirty (30)

¹⁶ See Interpretation and Policy .02(e) to Exchange Rule 404. The Exchange notes that equity options which have an expiration of more than twenty-one days from the listing date would also be subject to the intervals as noted within Interpretation and Policy .02(f) to Exchange Rule 404. See also Interpretation and Policy .11 to Exchange Rule 404.

¹⁷ Id.

¹⁸ See Interpretation and Policy .02(c) and (d) to Exchange Rule 404.

¹⁹ See Interpretation and Policy.02 to Exchange Rule 404.

series restriction would apply to Tuesday and Thursday Tier 1 Qualifying Securities Expirations as well. In addition, the Exchange will be able to list series that are listed by other exchanges, assuming they file similar rules with the Commission to list Tuesday and Thursday Tier 1 Qualifying Securities Expirations.

With this proposal, Tuesday and Thursday Tier 1 Qualifying Securities Expirations would be treated similar to existing SPY, QQQ, and IWM Tuesday and Thursday Expirations. With respect to standard expiration option series, Tuesday and Thursday Tier 1 Qualifying Securities Expirations will be permitted to expire in the same week in which standard expiration option series on the same class expire.²⁰ Not listing Tuesday and Thursday Tier 1 Qualifying Securities Expirations for one week every month because there was a standard options series on that same class on the Friday of that week would create investor confusion.

Further, as with SPY, QQQ, and IWM Tuesday and Thursday Expirations, the Exchange would not permit Tuesday and Thursday Tier 1 Qualifying Securities Expirations to expire on a business day in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire.²¹ Therefore, all Tuesday and Thursday Tier 1 Qualifying Securities Expirations would expire at the close of business on each of the next two Tuesdays and Thursdays, respectively, that are business days and are not business days in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire. The Exchange believes that it is reasonable to not permit two expirations on the same day in which a standard expiration option series, Monthly Options Series, a Quarterly Options Series would expire because those options would be duplicative of each other.

²⁰ See Interpretation and Policy .02(a) to Exchange Rule 404.

²¹ See Interpretation and Policy .02(a) to Exchange Rule 404.

The Exchange does not believe that any market disruptions will be encountered with the introduction of Tuesday and Thursday Tier 1 Qualifying Securities Expirations. The Exchange currently trades P.M.-settled Short Term Option Series that expire Monday, Tuesday, Wednesday and Thursday on several symbols²² and has not experienced any market disruptions nor issues with capacity. Today, the Exchange has surveillance programs in place to support and properly monitor trading in Short Term Option Series that expire Monday, Tuesday, Wednesday and Thursday on several symbols.²³ The Exchange believes that it has the necessary capacity and surveillance programs in place to support and properly monitor trading in the proposed Tuesday and Thursday Tier 1 Qualifying Securities Expirations.

Tier 2 Expansion

The Exchange also proposes to permit the listing of up to two Monday and Wednesday Expirations for options on additional Exchange-Traded Fund Shares that meet new additional criteria as Qualifying Securities. The Exchange proposes a different set of criteria for Qualifying Securities that are Exchange-Traded Funds that would only be permitted to trade up to two Monday and Wednesday Expirations as follows: an underlying security, as measured on the last day of the prior calendar quarter, must have: AUM greater than 25 billion dollars for an Exchange-Traded Fund Share based on NAV,²⁴ and monthly options volume, as measured by sides traded in the last month preceding the quarter end, of greater than 5 million options; a

²² See supra note 5.

²³ Id.

²⁴ Currently, Exchange-Traded Fund Shares that are Qualifying Securities must have an AUM greater than 50 billion dollars based on NAV.

position limit of at least 250,000 contracts;²⁵ and participate in the Penny Interval Program (“Tier 2 Qualifying Securities”).

As with any Qualifying Security, each calendar quarter, the Exchange will apply the above criteria to the proposed new Tier 2 Qualifying Securities to determine eligibility for the following quarter as a Qualifying Security. Beginning on the second trading day in the first month of each calendar quarter, the AUM for Exchange-Traded Fund Shares that are Tier 2 Qualifying Securities shall be calculated based on the NAV established on the primary exchange on the last trading day of the prior calendar quarter. As is the case for all Qualifying Securities, the data establishing the volume thresholds will be established by using data from the last month of the prior calendar quarter from OCC. For options listed on the first trading day of a given calendar quarter, the volume shall be calculated using the last month of the quarter prior to that calendar quarter.²⁶ The Exchange will make the list of Qualifying Securities available by close of business on the first trading day of the quarter.²⁷

Eligible Qualifying Securities for the proposed Tier 2 Qualifying Securities would be permitted to list two Short Term Option Expiration Dates beyond the current week for each Monday and Wednesday Expirations at one time. Tier 2 Qualifying Securities that do not continue to meet the above criteria would no longer be permitted to list Monday and Wednesday Expirations beginning on the second day of the following quarter.²⁸

²⁵ Currently, Exchange-Traded Fund Shares that are Qualifying Securities must have a monthly options volume, as measured by sides traded in the last month preceding the quarter end, of greater than 10 million options.

²⁶ OCC data becomes available for the end of a quarter on the first trading day of a new quarter.

²⁷ The Exchange will continue to make this information available on its website.

²⁸ The Exchange has noted the additional expirations in Table 2 of Interpretation and Policy .02 to Exchange Rule 404 along with the criteria for a Qualifying Security for the proposed Tier 2 Qualifying Securities.

The proposed Monday Tier 2 Qualifying Securities Expirations will be similar to the Monday Expirations for the existing Qualifying Securities (among other symbols that may list a Monday Expiration) in Short Term Option Daily Expirations set forth in Interpretation and Policy .02 to Exchange Rule 404 such that the Exchange may open for trading on any Friday or Monday that is a business day (beyond the current week) series of options on Tier 2 Qualifying Securities to expire on any Monday of the month that is a business day and is not a Monday in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire, provided that Monday expirations that are listed on a Friday must be listed at least one business week and one business day prior to the expiration (“Monday Qualifying Securities Expirations”).²⁹ In the event Tier 2 Qualifying Securities would expire on a Monday and that Monday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks of Monday Qualifying Securities Expirations would therefore not be consecutive. Today, Monday expirations in existing Qualifying Securities similarly skip the weekly listing in the event the weekly listing would expire on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The proposed Wednesday Tier 2 Qualifying Securities expirations will be similar to the current Wednesday Expirations for the existing Qualifying Securities (among other symbols that may list a Wednesday Expiration) in Short Term Option Daily Expirations set forth in Interpretation and Policy .02 to Exchange Rule 404, such that the Exchange may open for trading on any Tuesday or Wednesday that is a business day (beyond the current week) series of options on Tier 2 Qualifying Securities to expire on any Wednesday of the month that is a business day

²⁹ They may also trade on Fridays, as is the case for all options series in the Short Term Option Series Program.

and is not a Wednesday in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Wednesday Qualifying Securities Expirations”).³⁰ In the event Tier 2 Qualifying Securities would expire on a Wednesday and that Wednesday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks of Wednesday Qualifying Securities Expirations would therefore not be consecutive. Today, Wednesday Expirations in existing Qualifying Securities similarly skip the weekly listing in the event the weekly listing would expire on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The interval between strike prices for the proposed Monday and Wednesday Tier 2 Qualifying Securities Expirations will be the same as those currently Monday and Wednesday Expirations in existing Qualifying Securities (among other symbols that may list a Monday or Wednesday Expiration) in the Short Term Option Series Program.³¹ Specifically, the Monday and Wednesday Tier 2 Qualifying Securities Expirations for the proposed new Exchange-Traded Fund Shares will have a strike interval of (i) \$0.50 or greater for strike prices below \$100, and \$1 or greater for strike prices between \$100 and \$150 for all option classes that participate in the Short Term Option Series Program, (ii) \$0.50 for option classes that trade in one dollar increments and are in the Short Term Option Series Program, or (iii) \$2.50 or greater for strike prices above \$150.³² As is the case with other equity options series listed pursuant to the Short

³⁰ Id.

³¹ See Interpretation and Policy .02(e) to Exchange Rule 404. The Exchange notes that equity options which have an expiration of more than twenty-one days from the listing date would also be subject to the intervals as noted within Interpretation and Policy .02(f) to Exchange Rule 404. See also Interpretation and Policy .11 to Exchange Rule 404.

³² Id.

Term Option Series Program, the Monday and Wednesday Tier 2 Qualifying Securities Expirations series will be P.M.-settled.

As noted above, pursuant to Exchange Rule 100, with respect to the Short Term Option Series Program, if a Monday is not a business day, the series shall expire on the first business day immediately following that Monday. Also, pursuant to Exchange Rule 100, with respect to the Short Term Options Series Program, a Wednesday expiration series shall expire on the first business day immediately prior to that Wednesday, e.g., Tuesday of that week if the Wednesday is not a business day.

As noted above, currently, for each option class eligible for participation in the Short Term Option Series Program, the Exchange is limited to opening thirty (30) series for each expiration date for the specific class.³³ The thirty (30) series restriction does not include series that are open by other securities exchanges under their respective weekly rules; the Exchange may list these additional series that are listed by other options exchanges.³⁴ With the proposed changes, this thirty (30) series restriction would apply to Monday and Wednesday Tier 2 Qualifying Securities Expirations as well. In addition, the Exchange will be able to list series that are listed by other exchanges, assuming they file similar rules with the Commission to list Monday and Wednesday Tier 2 Qualifying Securities Expirations.

With this proposal, Monday and Wednesday Tier 2 Qualifying Securities Expirations would be treated similar to existing Monday and Wednesday Qualifying Securities Expirations. With respect to standard expiration option series, Monday and Wednesday Tier 2 Qualifying Securities Expirations will be permitted to expire in the same week in which standard expiration

³³ See Interpretation and Policy .02(c) and (d) to Exchange Rule 404.

³⁴ See Interpretation and Policy.02 to Exchange Rule 404.

option series on the same class expire.³⁵ Not listing Monday and Wednesday Tier 2 Qualifying Securities Expirations for one week every month because there was a standard options series on that same class on the Friday of that week would create investor confusion.

Further, as with existing Monday and Wednesday Qualifying Security Expirations, the Exchange would not permit Monday and Wednesday Tier 2 Qualifying Securities Expirations to expire on a business day in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire.³⁶ Therefore, all Monday and Wednesday Tier 2 Qualifying Securities Expirations would expire at the close of business on each of the next two Mondays and Wednesdays, respectively, that are business days and are not business days in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire. The Exchange believes that it is reasonable to not permit two expirations for the proposed Tier 2 Qualifying Securities on the same day in which a standard expiration option series, Monthly Options Series, or a Quarterly Options Series would expire because those options would be duplicative of each other.

The Exchange does not believe that any market disruptions will be encountered with the introduction of Monday and Wednesday Tier 2 Qualifying Securities Expirations. The Exchange currently trades P.M.-settled Short Term Option Series that expire Monday, Tuesday, Wednesday and Thursday on several symbols³⁷ and has not experienced any market disruptions nor issues with capacity. Today, the Exchange has surveillance programs in place to support and properly monitor trading in Short Term Option Series that expire Monday, Tuesday, Wednesday

³⁵ See Interpretation and Policy .02(a) to Exchange Rule 404.

³⁶ See Interpretation and Policy .02(a) to Exchange Rule 404.

³⁷ See supra note 5.

and Thursday on several symbols.³⁸ The Exchange believes that it has the necessary capacity and surveillance programs in place to support and properly monitor trading in the proposed Monday and Wednesday Tier 2 Qualifying Securities Expirations.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,³⁹ in general, and furthers the objectives of Section 6(b)(5) of the Act,⁴⁰ in particular, 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.

The proposal to permit Tuesday and Thursday Tier 1 Qualifying Securities Expirations and Monday and Wednesday Tier 2 Qualifying Security Expirations, subject to the proposed limitation of two expirations beyond the current week, would protect investors and the public interest by providing the investing public and other market participants more choice and flexibility to closely tailor their investment and hedging decisions in these options and allow for a reduced premium cost of buying portfolio protection, thus allowing them to better manage their risk exposure.

The Exchange believes that the proposed criteria for Tier 1 Qualifying Securities requires Exchange-Traded Fund Shares to be highly liquid. An AUM of 50 billion dollars for an Exchange-Trade Fund Share, in conjunction with the monthly options volume requirement of greater than 10 million options as measured by sides traded in the last month preceding the quarter end, is very restrictive. This requirement represents substantially less than 1% of

³⁸ Id.

³⁹ 15 U.S.C. 78f(b).

⁴⁰ 15 U.S.C. 78f(b)(5).

Exchange-Traded Fund Shares. Therefore, an Exchange-Traded Fund Share that meets aforementioned market capitalization and volume requirements are highly liquid and could be viewed as stable securities.

Further, with respect to the Tier 2 Qualifying Securities, which have a lower AUM of 25 billion dollars and monthly options volume as measured by sides traded in the last month preceding the quarter end, of greater than 5 million options for an Exchange-Traded Fund Share, the Exchange believes that despite the lower criteria, these Exchange-Traded Fund Shares represent highly liquid securities. This requirement also represents substantially less than 1% of Exchange-Traded Fund Shares. Therefore, an Exchange-Traded Fund Share that meets the aforementioned market capitalization and volume requirements would also be highly liquid and could be viewed as a stable security.

The Exchange notes that with respect to position limits, Exchange Rule 307(d)(5) provides, that “[t]o be eligible for the 250,000 contract limit, either the most recent six (6) month trading volume of the underlying security must have totaled at least 100 million shares or the most recent six-month trading volume of the underlying security must have totaled at least seventy-five (75) million shares and the underlying security must have at least 300 million shares currently outstanding.” The 250,000 contract position limit is the highest position limit by Exchange rules. Options that qualify for the 250,000 position (and exercise) limit are highly liquid securities that have met the stringent requirements noted in Exchange Rule 307(d)(5) to qualify for the highest position limit.

Finally, a Qualifying Security must participate in the Penny Interval Program. In order to qualify for the Penny Interval Program, an options class must be among the 300 most actively

traded multiply listed option classes overlying securities priced below \$200.⁴¹ The most actively traded options classes are included in the Penny Interval Program based on certain objective criteria (trading volume thresholds and initial price tests).

The improvement in price transparency brought about by the existing Monday and Wednesday Qualifying Security Expirations offers Market Makers and investors better volatility pricing which will inform trading on the related products to these indexes. The Exchange believes that the proposed criteria for Tier 1 Qualifying Securities is consistent with the protection of investors and the general public because the criteria targets the most liquid Exchange-Traded Fund Shares. The addition of Tuesday and Thursday Qualifying Security Expirations would further provide Market Makers and investors with volatility pricing clarity. Further, the expansion of the Qualifying Securities program for Tier 2 would engender the same benefits to a select few additional Exchange-Traded Fund Shares.

Qualifying Securities that do not continue to meet the above criteria would no longer be permitted to list Monday, Tuesday, Wednesday, and Thursday expiries in the following quarter, although the Qualifying Security would potentially have two weeks of strikes already listed which will persist. These remaining listings could continue to be traded until they expire.

With this proposal, overall, the Exchange would add a small number of additional Tuesday and Thursday Tier 1 Qualifying Security Expirations and new Monday and Wednesday Tier 2 Qualifying Securities and would continue to limit the addition of two Monday, Tuesday, Wednesday, and Thursday expirations beyond the current week. These additional Monday, Tuesday, Wednesday and Thursday Tier 1 and Tier 2 Qualifying Security Expirations would

⁴¹ See Exchange Rule 510(c)(2). Each December OCC ranks all multiply listed option classes based on National Cleared Volume for the six full calendar month from June 1 through November 30 for determination of the most actively traded option classes.

remove impediments to and perfect the mechanism of a free and open market by encouraging Market Makers to continue to deploy capital more efficiently and improve displayed market quality.⁴² The Exchange believes that the proposal will allow Members to expand hedging tools and tailor their investment and hedging needs more effectively in Qualifying Securities as these funds are most likely to be utilized by market participants to hedge the underlying asset classes.

Similar to SPY, QQQ, and IWM the additional Tuesday and Thursday Tier 1 Qualifying Securities, as well as the new Monday and Wednesday Expirations or Tier 2 Qualifying Securities, are consistent with the Act as they will, among other things, expand hedging tools available to market participants and allow for a reduced premium cost of buying portfolio protection. The Exchange believes that Tier 1 and Tier 2 Qualifying Security Expirations will allow market participants to purchase options on Qualifying Securities based on their timing as needed and allow them to tailor their investment and hedging needs more effectively, thus allowing them to better manage their risk exposure.

In particular, the Exchange believes the Short Term Option Series Program has been successful to date and that the proposed Tier 1 and Tier 2 Qualifying Security Expirations (Monday, Tuesday, Wednesday and Thursday) should simply expand the ability of investors to hedge risk against market movements stemming from economic releases or market events that occur throughout the month in the same way that the Short Term Option Series Program has expanded the landscape of hedging.

There are no material differences in the treatment of SPY, QQQ and IWM Tuesday and Thursday Qualifying Security Expirations compared to the proposed Tuesday and Thursday Tier 1 Qualifying Security Expirations. Further, there are no material differences in the treatment of

⁴² Today, Market Makers are required to quote a specified time in their assigned options series. See Exchange Rule 605.

current Qualifying Securities that will qualify as Tier 1 Monday and Wednesday Expirations compared to the proposed Monday and Wednesday Tier 2 Qualifying Security Expirations.

Additionally, market participants that elect to utilize options receive a copy of the Options Disclosure Document which explains the risks inherent in options trading. Also, broker-dealers must have a reasonable basis to believe that a recommended transaction or investment strategy involving a security or securities is suitable for the customer.⁴³ Suitability rules are intended to distinguish the trading of customers with those of professional traders who are likely to have distinct risk/reward profiles, risk tolerance and capital. Regardless of whether the account is self-directed or options are being recommended, broker-dealers must perform due diligence on the customer and collect information about the customer to support a determination that options trading is appropriate for the customer. Options accounts are subject to specific supervisory reviews, including, among others, reviewing the compatibility of options transactions with investment objectives and with the types of transactions for which the account was approved, and are subject to other FINRA rules that apply when opening customer accounts, including among others, customer identification requirements under anti-money laundering rules.⁴⁴ Therefore, the Exchange does not believe that listing of up to two Monday and Wednesday Expirations for options on certain individual stocks or Exchange-Traded Fund Shares is inconsistent with the Act.

Finally, the Exchange represents that it has an adequate surveillance program in place to detect manipulative trading in the proposed option expirations, in the same way that it monitors trading in the current Qualifying Security expirations. The Exchange also represents that it has the necessary system capacity to support the new expirations. Finally, the Exchange does not

⁴³ See FINRA Rule 2111.

⁴⁴ See <https://www.finra.org/rules-guidance/notices/21-15>.

believe that any market disruptions will be encountered with the introduction of these option expirations. As discussed above, the Exchange believes that its proposal is a modest expansion of weekly expiration dates for Qualifying Security Expirations given that it will be limited to two expirations beyond the current week.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

While the proposal will expand the Short Term Options Expirations to allow Tuesday and Thursday Tier 1 Qualifying Securities for Exchange-Traded Funds to be listed in addition to Monday and Wednesday Qualifying Securities, the Exchange believes that this limited expansion for Tuesday and Thursday Tier 1 Qualifying Securities for Exchange-Traded Funds will not impose an undue burden on competition; rather, it will meet customer demand. The Exchange would uniformly apply the Qualifying Security criteria to options in individual stocks and Exchange-Traded Fund Shares. The Exchange believes that Members will continue to be able to expand hedging tools and tailor their investment and hedging needs more effectively in the Qualifying Securities.

Similar to SPY, QQQ and IWM Tuesday and Thursday Expirations, the introduction of Tuesday and Thursday Expirations for Tier 1 Qualifying Security Expirations on Exchange-Traded Fund Shares does not impose an undue burden on competition. The Exchange believes that it will, among other things, expand the hedging tools available to market participants and allow for a reduced premium cost of buying portfolio protection. The Exchange believes that Tuesday and Thursday Tier 1 Qualifying Security Expirations will allow market participants to purchase options on Exchange-Traded Fund Shares based on their timing as needed and allow them to tailor their investment and hedging needs more effectively.

The Exchange does not believe the proposal will impose any burden on intermarket competition, as nothing prevents other options exchanges from proposing similar rules to list and trade Tuesday and Thursday Tier 1 Qualifying Security Expirations on Exchange-Traded Fund Shares. Further, the Exchange does not believe the proposal will impose any burden on intra market competition, as all market participants will be treated in the same manner under this proposal.

With respect to the proposed expansion of Monday and Wednesday Expirations for Tier 2 Qualifying Securities that are Exchange-Traded Fund Shares, in addition to the current Monday and Wednesday Qualifying Securities, the Exchange believes that this limited expansion will not impose an undue burden on competition; rather, it will meet customer demand. The Exchange would uniformly continue to apply the Qualifying Security criteria to options in individual stocks and Exchange-Traded Fund Shares that are Tier 1 and Tier 2 Qualifying Securities. The Exchange believes that Members will continue to be able to expand hedging tools and tailor their investment and hedging needs more effectively in the Qualifying Securities.

Similar to Monday and Wednesday Expirations for Qualifying Securities for Exchange Traded Funds, the introduction of Monday and Wednesday Expirations for Tier 2 Qualifying Securities that are Exchange-Traded Fund Shares does not impose an undue burden on competition. The Exchange believes that it will, among other things, expand the hedging tools available to market participants and allow for a reduced premium cost of buying portfolio protection. The Exchange believes that Monday and Wednesday Expirations for Tier 2 Qualifying Securities will allow market participants to purchase options on Exchange-Traded Fund Shares that meet the criteria based on their timing as needed and allow them to tailor their investment and hedging needs more effectively.

The Exchange does not believe the proposal will impose any burden on intermarket competition, as nothing prevents other options exchanges from proposing similar rules to list and trade Monday and Wednesday Expirations for Tier 2 Qualifying Securities that are Exchange Traded Fund Shares. Further, the Exchange does not believe the proposal will impose any burden on intra-market competition, as all market participants will be treated in the same manner under this proposal.

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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁴⁵ and Rule 19b-4(f)(6) thereunder.⁴⁶

A proposed rule change filed under Rule 19b-4(f)(6)⁴⁷ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),⁴⁸ the Commission may designate a shorter time if such action is consistent with the protection of

⁴⁵ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴⁶ 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, along with a brief description and text of 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.

⁴⁷ See id.

⁴⁸ 17 CFR 240.19b-4(f)(6)(iii).

investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. According to the Exchange, waiver of the operative delay would allow the Exchange to compete with at least one other exchange that has approval to list and trade the same option series.⁴⁹ The Commission believes that the proposed rule change presents no novel issues and that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.⁵⁰

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.

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. Please include file number SR-PEARL-2026-38 on the subject line.

⁴⁹ See *supra* note 3.

⁵⁰ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

Paper Comments:

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

All submissions should refer to file number SR-PEARL-2026-38. 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-2026-38 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.⁵¹

J. Matthew DeLesDernier,
Deputy Secretary.

⁵¹ 17 CFR 200.30-3(a)(12), (59).