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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 40
Amendment No. (req. for Amendments *)

Filing by MIAX PEARL, LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☑	☐	☐	☐	☑	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☐ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☑ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend Rule 2621, Clearly Erroneous Executions, in light of the approval of Overnight Protected Bands for 23/5 Trading.

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 * Chris
Last Name * Solgan
Title * VP, Senior Counsel
E-mail * csolgan@miaxglobal.com
Telephone * (609) 423-9414
Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, MIAX PEARL, LLC
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/18/2026

By Chris Solgan
(Name *)

(Title *)
VP, Senior Counsel

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

Christopher Solgan

Digitally signed by Christopher Solgan
Date: 2026.09.18 15:15:08 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information * Add Remove View SR-PEARL-2026-40 - 19b-4 FINAL.dc	The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.
Exhibit 1 - Notice of Proposed Rule Change * Add Remove View SR-PEARL-2026-40 - Exhibit 1 FINAL	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 Advanced Notice by Clearing Agencies * Add Remove View	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change 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	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 Sent As Paper Document
Exhibit 3 - Form, Report, or Questionnaire Add Remove View	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 Sent As Paper Document
Exhibit 4 - Marked Copies Add Remove View	The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.
Exhibit 5 - Proposed Rule Text Add Remove View SR-PEARL-2026-40 - Exhibit 5 FINAL	The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change
Partial Amendment Add Remove View	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) MIAX PEARL, LLC ("MIAX Pearl" or the "Exchange"),[1] pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act" or "Exchange Act")[2] and Rule 19b-4 thereunder,[3] is filing with the Securities and Exchange Commission (the "Commission") a proposal to amend Rule 2621 ("Clearly Erroneous Executions") in light of the Commission's approval of Overnight Protected Bands for 23/5 Trading.

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 Exchange Board of Directors on March 26, 2026. 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 Chris Solgan, VP and Senior Counsel, at (609) 423-9414.

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 Rule 2621 ("Clearly Erroneous Executions") in light of

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1 All references to "MIAX Pearl" in this filing are to MIAX Pearl Equities, the equities trading facility of MIAX PEARL, LLC. See Exchange Rule 1901.

2 15 U.S.C. 78s(b)(1).

3 17 CFR 240.19b-4.

the Commission's approval of Overnight Protected Bands under the LULD Plan for 23/5 Trading.

Background

In conjunction with the industry's plans for the introduction of trading 23 hours a day, 5 days a week ("23/5 Trading"), the Operating Committee of the Plan to Address Extraordinary Market Volatility ("LULD Plan") filed proposed Amendment 27 to the LULD Plan, which proposed to establish price band protections during overnight trading hours ("Overnight Price Bands").[4] The Operating Committee proposed that the Overnight Price Bands would initially be temporary static bands 20% above and below two reference points, and that after implementation, the Operating Committee would evaluate the performance of such Overnight Price Bands and propose appropriate changes in a new plan amendment.[5] On August 5, 2026, the Commission approved the proposal.[6]

In light of the Commission's approval of these changes to the LULD Plan, the Exchange now proposes several amendments to Rule 2621 regarding Clearly Erroneous Executions. In general, the rule describes the process a market participant may use to request cancellation of a transaction that was "clearly erroneous." The current rule's central premise is that if LULD Price Bands under the LULD Plan were available and correct at the time the transaction was executed, the transaction is not eligible for clearly erroneous review. Specifically, Rule 2621(c)(1) currently provides that "[i]f the execution time of the transaction(s) under review is

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4 See Securities Exchange Act Release No. 105596 (June 1, 2026), 91 FR 33774 (June 4, 2026) (File No. 4-631) (Notice of Filing of 27th Amendment to the National Market System Plan).

5 See id.

6 See Securities Exchange Act Release No. 106042 (August 5, 2026), 91 FR 51515 (August 10, 2026) (File No. 4-631) (Order Granting Approval of the 27th Amendment to the National Market System Plan to Address Extraordinary Market Volatility to Establish Temporary Price Band Protections in Overnight Trading).

during the Regular Trading Hours, the transaction will not be reviewable as clearly erroneous" except in certain limited circumstances, including when (i) the transaction is in an NMS stock that is not subject to the LULD Plan (e.g., rights and warrants), (ii) the transaction was executed at a time with LULD Price Bands were unavailable or trading should have been prevented due to a regulatory halt or other halt, or (iii) several other limited circumstances.[7] In approving the existing version of the rule, the Commission noted that restricting clearly erroneous review in this way during times when LULD Price Bands were in effect was "consistent with the Act and will further the goal of providing greater certainty to market participants that trades executed within the Price Bands will stand and not be broken. . . . Thus, the proposal is designed to limit the potential discordance between the LULD mechanism and CEE review process."[8]

Currently, LULD Price Bands are available only during Regular Trading Hours, meaning that the restrictions on clearly erroneous review described above apply only during Regular Trading Hours. With the introduction of Overnight Price Bands, the Exchange now proposes to extend the existing restrictions on clearly erroneous review to the period when Overnight Price Bands are in place. This proposed change would be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.

Proposed Changes to Rule 2621(c)(1)

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7 See Rule 2621(c)(1)(i), (ii), and (iii).

8 See Securities Exchange Act Release No. 95658 (September 1, 2022), 87 FR 55060 at 55063 (September 8, 2022) (SR-CboeBZX-2022-037) (Order Approving a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, to Amend BZX Rule 11.17, Clearly Erroneous Executions).

To implement this change, the Exchange proposes to add several definitions to Rule 2621(c)(1). First, the Exchange would add that the term "LULD Protected Hours" includes Regular Trading Hours and "Overnight Protected Hours" defined in Section VIII of the LULD Plan. Second, the Exchange would define "LULD Price Bands" or "Price Bands" to mean the Price Bands defined in Section V of the LULD Plan (i.e., the Price Bands that apply during Regular Trading Hours) and "Overnight Price Bands" as defined in Section VIII of the LULD Plan (i.e., the Price Bands that apply to the Overnight Protected Hours from 9:00 p.m. ET through 4:00 a.m. ET).

The Exchange proposes to amend the current first sentence of Rule 2621(c)(1) to replace the phrase "Regular Trading Hours" with "LULD Protected Hours," to provide that "[i]f the execution time of the transaction(s) under review is during LULD Protected Hours, the transaction will not be reviewable as clearly erroneous . . . ." This change would extend the LULD-based restrictions on clearly erroneous review currently in place during Regular Trading Hours to the Overnight Protected Hours.

The Exchange also proposes to amend Rule 2621(c)(1)(ii)'s reference to "Percentage Parameter" to incorporate the Percentage Parameter that applies to Overnight Protected Hours. The amended provision would provide for the applicability of clearly erroneous review if the price of the transaction to buy (sell) that is the subject of the clearly erroneous complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan (with respect to the Price Bands that apply during Regular Trading Hours) or the "Overnight Percentage Parameter defined in Section VIII of the LULD Plan" (with respect to Overnight Protected Hours).

In addition to these changes, the Exchange also proposes to make a non-substantive change to Rule 2621(c)(1)(i), substituting the term "LULD Plan" for the current text "the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the 'Limit Up-Limit Down Plan' or 'LULD Plan,')" as the "LULD Plan" would be defined in the proposed revision to Rule 2621(c)(1).

Proposed Changes to Rule 2621(c)(2), (d)(3), and (f)

As noted above, current Rule 2621(c)(1)(i) permits clearly erroneous review even during Regular Trading Hours when the transaction in question is in an NMS Stock that is not subject to the LULD Plan, i.e., rights and warrants. Such transactions are reviewed for clearly erroneous status using the procedures set out in Rule 2621(c)(2), including the Numerical Guidelines set out in the table accompanying Rule 2621(c)(2)(i). The Exchange now proposes to introduce a similar provision regarding transactions in NMS Stocks not subject to the LULD Plan that are executed during the Overnight Protected Hours; such transactions would be subject to the same Numerical Guidelines as transactions occurring in the Early and Late Trading Sessions.

The heading of Rule 2621(c)(2) addresses "[r]eview of transactions occurring during the Early or Late Trading Session or eligible for review pursuant to paragraph (c)(1)(A)." The Exchange proposes to replace the phrase "eligible for review pursuant to paragraph (c)(1)(A)" (which, in the current rule, means transactions executed during Regular Trading Hours in NMS Stocks not subject to the LULD Plan) with "during LULD Protected Hours in NMS Stocks not subject to the LULD Plan." This proposed language would cover transactions in NMS Stocks not subject to the LULD Plan during Regular Trading Hours and expand the same treatment to transactions executed in NMS Stocks not subject to the LULD Plan during Overnight Protected Hours. As such, the proposed change is not novel.

The Exchange proposes to make the same change everywhere else such language appears in the rule – namely, in the text of paragraphs (c)(2)(i), (c)(2)(ii), (c)(2)(iii), (c)(2)(iv), (d)(iii), and (f).[9] In each case, the Exchange proposes to replace the phrase "transactions occurring during the Early or Late Trading Session or eligible for review pursuant to paragraph (c)(1)(A)" with "transactions occurring during the Early or Late Trading Session or during LULD Protected Hours in NMS Stocks not subject to the LULD Plan."

The Exchange also proposes to make corresponding changes to the headings of the table accompanying Rule 2621(c)(2)(i). The Exchange proposes to change the heading of the second column from "Regular Trading Hours Numerical Guidelines" to "Numerical Guidelines for Transactions Executed During Regular Trading Hours in NMS Stocks Not Subject to the LULD Plan." This change would simply add a fuller description that such transactions are "executed during the Regular Trading Hours in NMS Stocks not subject to the LULD Plan," and is not a substantive change.

Similarly, the Exchange proposes to change the heading of the third column from "Early and Late Trading Session Numerical Guidelines" to "Numerical Guidelines for Transactions Executed During the Early and Late Trading Session or During Overnight Protected Hours in NMS Stocks Not Subject to the LULD Plan." The proposed change addresses the fact that transactions executed during Overnight Protected Hours in NMS Stocks not subject to the LULD Plan are eligible for clearly erroneous review – just as are transactions in NMS Stocks not subject to the LULD Plan executed during Regular Trading Hours – but at the Numerical Guidelines that apply outside of Regular Trading Hours.

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9 Rule 2621(c)(2)(1)-(iv) specifies general rules for applying clearly erroneous review to transactions where such review is not precluded by paragraph (c)(1). Rule 2621(d)(3) specifies conditions where the Exchange may use a revised Reference Price for the purpose of clearly erroneous review in certain transactions where such review is not precluded by paragraph (c)(1). Rule 2621(f) specifies that for transactions where clearly erroneous review is not precluded by paragraph (c)(1), an officer may initiate clearly erroneous review on his or her own motion.

Together, these proposed changes would extend the eligibility of clearly erroneous review for transactions in NMS Stocks not subject to the LULD Plan that is currently in place during Regular Trading Hours to the Overnight Protected Hours, and would apply the Commission's recent approval of Overnight Price Bands to the clearly erroneous executions rule.

Implementation

The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. The Exchange proposes that this rule change would become operative at the commencement of 23/5 Trading, which is scheduled to commence industry-wide on December 6, 2026.

b. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.[10] Specifically, the proposal is consistent with Section 6(b)(5) of the Act[11] because it would 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, and, in general, protect investors and the public interest.

The Exchange believes that the proposed change is consistent with just and equitable principles of trade because it extends the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. Currently, LULD Price Bands are available only during Regular Trading Hours, meaning that the restrictions on clearly erroneous

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10 15 U.S.C. 78f(b).

11 15 U.S.C. 78f(b)(5).

review described above apply only during Regular Trading Hours. With the introduction of Overnight Price Bands, the Exchange believes that extending such restrictions on clearly erroneous review to the period when Overnight Price Bands are in place would remove impediments to and perfect the mechanism of a free and open market and a national market system by enhancing the transparency and consistency of the rule.

The resulting rule would thus extend the LULD-related limits on clearly erroneous review that are applicable during Regular Trading Hours to the overnight period. The proposed change would also be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.[12]

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

The Exchange believes the proposal is consistent with Section 6(b)(8) of the Act[13] in that it does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather than impacting competition, the proposed change would simply extend the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. Thus, the proposed rule change will help to ensure consistency across

12 See 87 FR 55060 at 55063, supra note 6.

13 15 U.S.C. 78f(b)(8).

SROs without implicating any competitive issues.

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)

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)(iii) of the Act[14] and Rule 19b-4(f)(6) thereunder.[15] The Exchange asserts that the proposed rule change (i) will not significantly affect the protection of investors or the public interest; (ii) will not impose any significant burden on competition; and (iii) by its terms, will 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. Additionally, the Exchange has provided the Commission with 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, or such shorter time as designated by the Commission.

The Exchange believes that the proposed change is a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4,[16] because the proposed changes do not significantly affect the protection of investors or the public interest. Instead, they will further the interests of investors and the public by extending the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price

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14 15 U.S.C. 78s(b)(3)(A)(iii).

15 17 CFR 240.19b-4(f)(6).

16 Id.

Bands at a time the Price Bands were available and correct, thereby enhancing the transparency and consistency of the rule. This proposed change is also non-controversial because it would be consistent with the Commission's rationale in approving the current version of the rule, in that it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session and provide greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.[17]

The proposed changes will not impose any significant or undue burden on competition. The proposed change would simply extend the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. Thus, the proposed rule change will help to ensure consistency across SROs without implicating any competitive issues.

Rule 19b-4(f)(6)(iii)[18] requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

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

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17 See 87 FR 55060 at 55063, supra note 6.

18 17 CFR 240.19b-4(f)(6)(iii).

of the Commission

This filing is based on SR-NYSEAMER-2026-80.

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 rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-PEARL-2026-40)

September ____, 2026

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX PEARL, LLC to Amend Rule 2621 ("Clearly Erroneous Executions") in Light of the Commission's Approval of Overnight Protected Bands for 23/5 Trading

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 September ____, 2026, MIAX PEARL, LLC ("MIAX Pearl" or the "Exchange")[3], 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 to Rule 2621 ("Clearly Erroneous Executions") in light of the Commission's approval of Overnight Protected Bands for 23/5 Trading.

The text of the proposed rule change is available on the Exchange's website at https://www.miaxglobal.com/markets/us-equities/pearl-equities/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

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 All references to "MIAX Pearl" in this filing are to MIAX Pearl Equities, the equities trading facility of MIAX PEARL, LLC. See Exchange Rule 1901.

In its filing with the Commission, MIAX Pearl 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. MIAX Pearl 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 Rule 2621 ("Clearly Erroneous Executions") in light of the Commission's approval of Overnight Protected Bands under the LULD Plan for 23/5 Trading.

Background

In conjunction with the industry's plans for the introduction of trading 23 hours a day, 5 days a week ("23/5 Trading"), the Operating Committee of the Plan to Address Extraordinary Market Volatility ("LULD Plan") filed proposed Amendment 27 to the LULD Plan, which proposed to establish price band protections during overnight trading hours ("Overnight Price Bands").[4] The Operating Committee proposed that the Overnight Price Bands would initially be temporary static bands 20% above and below two reference points, and that after implementation, the Operating Committee would evaluate the performance of such Overnight Price Bands and propose appropriate changes in a new plan amendment.[5] On August 5, 2026, the Commission approved the proposal.[6]

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4 See Securities Exchange Act Release No. 105596 (June 1, 2026), 91 FR 33774 (June 4, 2026) (File No. 4-631) (Notice of Filing of 27th Amendment to the National Market System Plan).

5 See id.

6 See Securities Exchange Act Release No. 106042 (August 5, 2026), 91 FR 51515 (August 10, 2026) (File No. 4-631) (Order Granting Approval of the 27th Amendment to the National Market System Plan to Address Extraordinary Market Volatility to Establish Temporary Price Band Protections in Overnight

In light of the Commission's approval of these changes to the LULD Plan, the Exchange now proposes several amendments to Rule 2621 regarding Clearly Erroneous Executions. In general, the rule describes the process a market participant may use to request cancellation of a transaction that was "clearly erroneous." The current rule's central premise is that if LULD Price Bands under the LULD Plan were available and correct at the time the transaction was executed, the transaction is not eligible for clearly erroneous review. Specifically, Rule 2621(c)(1) currently provides that "[i]f the execution time of the transaction(s) under review is during the Regular Trading Hours, the transaction will not be reviewable as clearly erroneous" except in certain limited circumstances, including when (i) the transaction is in an NMS stock that is not subject to the LULD Plan (e.g., rights and warrants), (ii) the transaction was executed at a time with LULD Price Bands were unavailable or trading should have been prevented due to a regulatory halt or other halt, or (iii) several other limited circumstances.[7] In approving the existing version of the rule, the Commission noted that restricting clearly erroneous review in this way during times when LULD Price Bands were in effect was "consistent with the Act and will further the goal of providing greater certainty to market participants that trades executed within the Price Bands will stand and not be broken. . . . Thus, the proposal is designed to limit the potential discordance between the LULD mechanism and CEE review process."[8]

Currently, LULD Price Bands are available only during Regular Trading Hours, meaning that the restrictions on clearly erroneous review described above apply only during Regular Trading Hours. With the introduction of Overnight Price Bands, the Exchange now proposes to

Trading).

7 See Rule 2621(c)(1)(i), (ii), and (iii).

8 See Securities Exchange Act Release No. 95658 (September 1, 2022), 87 FR 55060 at 55063 (September 8, 2022) (SR-CboeBZX-2022-037) (Order Approving a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2, to Amend BZX Rule 11.17, Clearly Erroneous Executions).

extend the existing restrictions on clearly erroneous review to the period when Overnight Price Bands are in place. This proposed change would be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.

Proposed Changes to Rule 2621(c)(1)

To implement this change, the Exchange proposes to add several definitions to Rule 2621(c)(1). First, the Exchange would add that the term "LULD Protected Hours" includes Regular Trading Hours and "Overnight Protected Hours" defined in Section VIII of the LULD Plan. Second, the Exchange would define "LULD Price Bands" or "Price Bands" to mean the Price Bands defined in Section V of the LULD Plan (i.e., the Price Bands that apply during Regular Trading Hours) and "Overnight Price Bands" as defined in Section VIII of the LULD Plan (i.e., the Price Bands that apply to the Overnight Protected Hours from 9:00 p.m. ET through 4:00 a.m. ET).

The Exchange proposes to amend the current first sentence of Rule 2621(c)(1) to replace the phrase "Regular Trading Hours" with "LULD Protected Hours," to provide that "[i]f the execution time of the transaction(s) under review is during LULD Protected Hours, the transaction will not be reviewable as clearly erroneous . . . ." This change would extend the LULD-based restrictions on clearly erroneous review currently in place during Regular Trading Hours to the Overnight Protected Hours.

The Exchange also proposes to amend Rule 2621(c)(1)(ii)'s reference to "Percentage Parameter" to incorporate the Percentage Parameter that applies to Overnight Protected Hours. The amended provision would provide for the applicability of clearly erroneous review if the price of the transaction to buy (sell) that is the subject of the clearly erroneous complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan (with respect to the Price Bands that apply during Regular Trading Hours) or the "Overnight Percentage Parameter defined in Section VIII of the LULD Plan" (with respect to Overnight Protected Hours).

In addition to these changes, the Exchange also proposes to make a non-substantive change to Rule 2621(c)(1)(i), substituting the term "LULD Plan" for the current text "the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the 'Limit Up-Limit Down Plan' or 'LULD Plan,')" as the "LULD Plan" would be defined in the proposed revision to Rule 2621(c)(1).

Proposed Changes to Rule 2621(c)(2), (d)(3), and (f)

As noted above, current Rule 2621(c)(1)(i) permits clearly erroneous review even during Regular Trading Hours when the transaction in question is in an NMS Stock that is not subject to the LULD Plan, i.e., rights and warrants. Such transactions are reviewed for clearly erroneous status using the procedures set out in Rule 2621(c)(2), including the Numerical Guidelines set out in the table accompanying Rule 2621(c)(2)(i). The Exchange now proposes to introduce a similar provision regarding transactions in NMS Stocks not subject to the LULD Plan that are executed during the Overnight Protected Hours; such transactions would be subject to the same Numerical Guidelines as transactions occurring in the Early and Late Trading Sessions.

The heading of Rule 2621(c)(2) addresses "[r]eview of transactions occurring during the Early or Late Trading Session or eligible for review pursuant to paragraph (c)(1)(A)." The Exchange proposes to replace the phrase "eligible for review pursuant to paragraph (c)(1)(A)" (which, in the current rule, means transactions executed during Regular Trading Hours in NMS Stocks not subject to the LULD Plan) with "during LULD Protected Hours in NMS Stocks not subject to the LULD Plan." This proposed language would cover transactions in NMS Stocks not subject to the LULD Plan during Regular Trading Hours and expand the same treatment to transactions executed in NMS Stocks not subject to the LULD Plan during Overnight Protected Hours. As such, the proposed change is not novel.

The Exchange proposes to make the same change everywhere else such language appears in the rule – namely, in the text of paragraphs (c)(2)(i), (c)(2)(ii), (c)(2)(iii), (c)(2)(iv), (d)(iii), and (f).[9] In each case, the Exchange proposes to replace the phrase "transactions occurring during the Early or Late Trading Session or eligible for review pursuant to paragraph (c)(1)(A)" with "transactions occurring during the Early or Late Trading Session or during LULD Protected Hours in NMS Stocks not subject to the LULD Plan."

The Exchange also proposes to make corresponding changes to the headings of the table accompanying Rule 2621(c)(2)(i). The Exchange proposes to change the heading of the second column from "Regular Trading Hours Numerical Guidelines" to "Numerical Guidelines for Transactions Executed During Regular Trading Hours in NMS Stocks Not Subject to the LULD Plan." This change would simply add a fuller description that such transactions are "executed during the Regular Trading Hours in NMS Stocks not subject to the LULD Plan," and is not a substantive change.

Similarly, the Exchange proposes to change the heading of the third column from "Early and Late Trading Session Numerical Guidelines" to "Numerical Guidelines for Transactions Executed During the Early and Late Trading Session or During Overnight Protected Hours in

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9 Rule 2621(c)(2)(1)-(iv) specifies general rules for applying clearly erroneous review to transactions where such review is not precluded by paragraph (c)(1). Rule 2621(d)(3) specifies conditions where the Exchange may use a revised Reference Price for the purpose of clearly erroneous review in certain transactions where such review is not precluded by paragraph (c)(1). Rule 2621(f) specifies that for transactions where clearly erroneous review is not precluded by paragraph (c)(1), an officer may initiate clearly erroneous review on his or her own motion.

NMS Stocks Not Subject to the LULD Plan." The proposed change addresses the fact that transactions executed during Overnight Protected Hours in NMS Stocks not subject to the LULD Plan are eligible for clearly erroneous review – just as are transactions in NMS Stocks not subject to the LULD Plan executed during Regular Trading Hours – but at the Numerical Guidelines that apply outside of Regular Trading Hours.

Together, these proposed changes would extend the eligibility of clearly erroneous review for transactions in NMS Stocks not subject to the LULD Plan that is currently in place during Regular Trading Hours to the Overnight Protected Hours, and would apply the Commission's recent approval of Overnight Price Bands to the clearly erroneous executions rule.

Implementation

The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. The Exchange proposes that this rule change would become operative at the commencement of 23/5 Trading, which is scheduled to commence industry-wide on December 6, 2026.

2. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.[10] Specifically, the proposal is consistent with Section 6(b)(5) of the Act[11] because it would 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, and, in general, protect investors and the public interest.

The Exchange believes that the proposed change is consistent with just and equitable

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10 15 U.S.C. 78f(b).

11 15 U.S.C. 78f(b)(5).

principles of trade because it extends the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the Price Bands were available and correct. Currently, LULD Price Bands are available only during Regular Trading Hours, meaning that the restrictions on clearly erroneous review described above apply only during Regular Trading Hours. With the introduction of Overnight Price Bands, the Exchange believes that extending such restrictions on clearly erroneous review to the period when Overnight Price Bands are in place would remove impediments to and perfect the mechanism of a free and open market and a national market system by enhancing the transparency and consistency of the rule.

The resulting rule would thus extend the LULD-related limits on clearly erroneous review that are applicable during Regular Trading Hours to the overnight period. The proposed change would also be consistent with the Commission's rationale in approving the current version of the rule because it would limit any potential discordance between the LULD mechanism and CEE review in the overnight trading session, providing greater certainty to market participants that trades executed with the Overnight Price Bands will stand and not be broken.[12]

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

The Exchange believes the proposal is consistent with Section 6(b)(8) of the Act[13] in that it does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather than impacting competition, the proposed change would simply extend the basic premise of the current rule that clearly erroneous review should be generally unavailable any time a transaction is executed within LULD Price Bands at a time the

[12] See 87 FR 55060 at 55063, supra note 6.

[13] 15 U.S.C. 78f(b)(8).

Price Bands were available and correct. The Exchange understands that the other national securities exchanges and FINRA will also file similar proposals, the substance of which are identical to this proposal. Thus, the proposed rule change will help to ensure consistency across SROs without implicating any competitive issues.

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

Pursuant to Section 19(b)(3)(A) of the Act[14] and Rule 19b-4(f)(6)[15] thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly 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.

At any time within 60 days of the filing of this 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:

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14 15 U.S.C. 78s(b)(3)(A).

15 17 CFR 240.19b-4(f)(6).

Electronic comments:

- Use the Commission's Internet comment form (https://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-PEARL-2026-40 on the subject line.

Paper comments:

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

All submissions should refer to file number SR-PEARL-2026-40. 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 also 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-2026-40 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.[16]

Sherry R. Haywood,
Assistant Secretary

[16] 17 CFR 200.30-3(a)(12).

Exhibit 5

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

MIAX Pearl Equities Exchange Rulebook

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Rule 2621. Clearly Erroneous Executions

(a) **Definition.** For purposes of this Exchange Rule, the terms of a transaction executed on the Exchange are "clearly erroneous" when there is an obvious error in any term, such as price, number of shares or other unit of trading, or identification of the security. A transaction made in clearly erroneous error and cancelled by both parties or determined by the Exchange to be clearly erroneous will be removed from the Consolidated Tape.

(b) **Request and Timing of Review.** A Member that receives an execution on an order that was submitted erroneously to the Exchange for its own or customer account may request that the Exchange review the transaction under this Exchange Rule. An Officer of the Exchange or such other employee designee of the Exchange ("Official") shall review the transaction under dispute and determine whether it is clearly erroneous, with a view toward maintaining a fair and orderly market and the protection of investors and the public interest. Such request for review shall be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members.

(1) **Requests for Review**. Requests for review must be received by the Exchange within thirty (30) minutes of execution time and shall include information concerning the time of the transaction(s), security symbol(s), number of shares, price(s), side (bought or sold), and factual basis for believing that the trade is clearly erroneous. Upon receipt of a timely filed request that satisfies the guidelines set forth in this Exchange Rule, the counterparty to the trade, if any, shall be notified by the Exchange as soon as practicable, but generally within thirty (30) minutes. An Official may request additional supporting written information to aid in the resolution of the matter. If requested, each party to the transaction shall provide any supporting written information as may be reasonably requested by the Official to aid resolution of the matter within thirty (30) minutes of the Official's request. Either party to the disputed trade may request the supporting written information provided by the other party on the matter.

(2) **Routed Executions**. Other market centers will generally have an additional thirty (30) minutes from receipt of their participant's timely filing, but no longer than sixty (60) minutes from the time of the execution at issue, to file with the Exchange for review of transactions routed to the Exchange from that market center and executed on the Exchange.

(c) **Clearly Erroneous Review**:

(1) **Review of transactions occurring during LULD Protected Hours[Regular Trading Hours]**. For the purposes of this rule, "LULD Protected Hours" includes Regular

Trading Hours and Overnight Protected Hours as defined in Section VIII of the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act ("LULD Plan"). "LULD Price Bands" or "Price Bands" means the Price Bands as defined in Section V of the LULD Plan and Overnight Price Bands as defined in Section VIII of the LULD Plan.

If the execution time of the transaction(s) under review is during LULD Protected Hours[Regular Trading Hours], the transaction will not be reviewable as clearly erroneous unless the transaction:

(i) is in an NMS Stock that is not subject to the [Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan" or "]LULD Plan[")]. In such case, the Numerical Guidelines set forth in paragraph (c)(2) of this Rule will be applicable to such NMS Stock;

(ii) was executed at a time when Price Bands under the LULD Plan were not available, or is the result of an Exchange technology or systems issue that results in the transaction occurring outside of the applicable LULD Price Bands pursuant to paragraph (g), or is executed after the primary listing market for the security declares a regulatory trading halt, suspension, or pause pursuant to paragraph (i). A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price, described in paragraph (d) below, by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan or Overnight Percentage Parameter defined in Section VIII of the LULD Plan ("Percentage Parameters"); or

(iii) involved, in the case of (1) a corporate action or new issue or (2) a security that enters a Trading Pause pursuant to the LULD Plan and resumes trading without an auction, a Reference Price that is determined to be erroneous by an Officer of the Exchange because it clearly deviated from the theoretical value of the security. In such circumstances, the Exchange may use a different Reference Price pursuant to paragraph (d)(2) of this Rule. A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the new Reference Price, described in paragraph (d)(2) below, by an amount that equals or exceeds the Numerical Guidelines or Percentage Parameters, as applicable depending on whether the security is subject to the LULD Plan.

(2) **Numerical Guidelines**. Review of transactions occurring during the Early Trading Session, Late Trading Session during LULD Protected Hours in NMS Stocks Not Subject to the LULD Plan[, or eligible for review pursuant to paragraph (c)(1)(i)].

(i) Subject to the additional factors described in paragraph (c)(2) below, a transaction occurring during the Early Trading Session, Late Trading Session, or during LULD Protected Hours in NMS Stocks not subject to the LULD Plan [eligible for review pursuant to paragraph (c)(1)(i),] shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below.

Reference Price, Circumstance or Product	Numerical Guidelines for Transactions Executed During Regular Trading Hours in NMS Stocks Not Subject to the LULD Plan [Numerical Guidelines] (Subject transaction's % difference from the Reference Price):	Numerical Guidelines for Transactions Executed During the Early and Late Trading Session or During Overnight Protected Hours in NMS Stocks Not Subject to the LULD Plan]Numerical Guidelines] (Subject transaction's % difference from the Reference Price):
Greater than $0.00 up to and including $25.00	10%	20%
Greater than $25.00 up to and including $50.00	5%	10%
Greater than $50.00	3%	6%
Multi-Stock Event – Filings involving five or more, but less than twenty, securities whose executions occurred within a period of five minutes or less	10%	10%
Multi-Stock Event – Filings involving twenty or more securities whose executions occurred within a period of five minutes or less	30%, subject to the terms of paragraph (c)(2) below	30%, subject to the terms of paragraph (c)(2)(ii) below
Leveraged ETF/ETN Securities	N/A	Regular Trading Hours Numerical Guidelines multiplied by the leverage multiplier (i.e. 2x)

(ii) **Multi-Stock Events Involving Twenty or More Securities**. Multi-Stock Events involving twenty or more securities may be reviewable as clearly erroneous if they occur during the Early Trading Session, Late Trading Session, or during LULD Protected Hours in NMS Stocks not subject to the LULD Plan[are eligible for review pursuant to paragraph (c)(1)(i)]. During Multi-Stock Events, the number of affected transactions may be such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. In such circumstances, the Exchange may use a Reference Price other than consolidated last sale. To ensure consistent application across market centers when this paragraph is invoked, the Exchange will promptly coordinate with the other market centers to determine the appropriate review period, which may be greater than the period of five minutes or less that triggered application of this paragraph, as well as select one or more specific points in time prior to the transactions in question and use transaction prices at or immediately prior to the one or more specific points in time selected as the Reference Price. The Exchange will nullify as clearly erroneous all transactions that are at prices equal to or greater than 30% away from the Reference Price in each affected security during the review period selected by the Exchange and other markets consistent with this paragraph.

(iii) **Additional Factors.** Except in the context of a Multi-Stock Event involving five or more securities, an Official may also consider additional factors to determine whether an execution is clearly erroneous, provided the execution occurs during the Early Trading Session, Late Trading Session, or <u>during LULD Protected Hours in NMS Stocks not subject to the LULD Plan</u>[is eligible for review pursuant to paragraph (c)(1)(A)]. Such additional factors include but are not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an initial public offering, whether the security was subject to a stock-split, reorganization, or other corporate action, overall market conditions, Early Trading Session, Late Trading Session executions, validity of the consolidated tape trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern in the stock. Each additional factor shall be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(iv) **Outlier Transactions.** In the case of an Outlier Transaction during the Early Trading Session, Late Trading Session, or <u>during LULD Protected Hours in NMS Stocks not subject to the LULD Plan</u>[that is eligible for review pursuant to paragraph (c)(1)(i)], an Official may, in his or her sole discretion, and on a case-by-case basis, consider requests received pursuant to paragraph (b) of this Exchange Rule after thirty (30) minutes, but not longer than sixty (60) minutes after the transaction in question, depending on the facts and circumstances surrounding such request.

(A) An "Outlier Transaction" means a transaction where the execution price of the security is greater than three times the current Numerical Guidelines set forth in paragraph (c)(2) of this Exchange Rule.

(B) If the execution price of the security in question is not within the Outlier Transaction parameters set forth in paragraph (c)(2)(iv)(A) of this Exchange Rule but breaches the 52-week high or 52-week low, the Exchange may consider Additional Factors as outlined in paragraph (c)(2)(iii), in determining if the transaction qualifies for further review or if the Exchange shall decline to act.

(d) **Reference Price**. The Reference Price referred to in paragraphs (c)(1) and (c)(2) above will be equal to the consolidated last sale immediately prior to the execution(s) under review except for:

(1) in the case of Multi-Stock Events involving twenty or more securities, as described in paragraph (c)(2)(ii) above;

(2) in the case of an erroneous Reference Price, as described in paragraph (c)(1)(iii) above. In the case of (c)(1)(iii)(A), the Exchange would consider a number of factors to determine a new Reference Price that is based on the theoretical value of the security, including but not limited to, the offering price of the new issue, the ratio of the stock split applied to the prior day's closing price, the theoretical price derived from the numerical terms of the corporate action transaction such as the exchange ratio and spin-off terms, and for an OTC up-listing, the price of the security as provided in the prior day's FINRA Trade Dissemination Service final closing report. In the case of (c)(1)(iii)(B), the Reference Price will be the last effective Price Band that was in a limit state before the Trading Pause; or

(3) in other circumstances, such as, for example, relevant news impacting a security or securities, periods of extreme market volatility, sustained illiquidity, or widespread system issues, where use of a different Reference Price is necessary for the maintenance of a fair and orderly market and the protection of investors and the public interest, provided that such circumstances occurred during the Early Trading Session or Late Trading Session or <u>during LULD Protected Hours in NMS Stocks not subject to the LULD Plan</u>[the execution(s) are eligible for review pursuant to paragraph (c)(1)(i)].

(e) **Review Procedures.**

(1) **Determination by Official.** Unless both parties to the disputed transaction agree to withdraw the initial request for review, the transaction under dispute shall be reviewed, and a determination shall be rendered by the Official. If the Official determines that the transaction is not clearly erroneous, the Official shall decline to take any action in connection with the completed trade. In the event that the Official determines that the transaction in dispute is clearly erroneous, the Official shall declare the transaction null and void. A determination shall be made generally within thirty (30) minutes of receipt of the complaint, but in no case later than the start of Regular Trading Hours on the following trading day. The parties shall be promptly notified of the determination.

(2) **Appeals**. If a Member affected by a determination made under this Exchange Rule so requests within the time permitted below, the Clearly Erroneous Execution Panel ("CEE Panel") will review decisions made by the Official under this Exchange Rule, including whether a clearly erroneous execution occurred and whether the correct determination was made; provided however that the CEE Panel will not review decisions made by an Officer under paragraph (g) of this Rule regarding transactions that occurred outside of the applicable Price Bands disseminated pursuant to the LULD Plan, and further provided that with respect to rulings made by the Exchange in conjunction with one or more additional market centers, the number of affected transactions is similarly such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest and, hence, are also non-appealable.

(i) The CEE Panel will be comprised of the Exchange's Chief Regulatory Officer ("CRO"), or a designee of the CRO, and representatives from two (2) Members.

(ii) The Exchange shall designate at least ten (10) representatives of Members to be called upon to serve on the CEE Panel as needed. In no case shall a CEE Panel include a person affiliated with a party to the trade in question. To the extent reasonably possible, the Exchange shall call upon the designated representatives to participate on a CEE Panel on an equally frequent basis.

(iii) A request for review on appeal must be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The CEE Panel shall review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received between 3:00 p.m. Eastern Time and the close of trading, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

(iv) The CEE Panel may overturn or modify an action taken by the Official under this Exchange Rule. All determinations by the CEE Panel shall constitute final action by the Exchange on the matter at issue.

(v) If the CEE Panel votes to uphold the decision made pursuant to paragraph (e)(1) above, the Exchange will assess a $500.00 fee against the Member(s) who initiated the request for appeal. In addition, in instances where the Exchange, on behalf of a Member, requests a determination by another market center that a transaction is clearly erroneous, the Exchange will pass any resulting charges through to the relevant Member.

(vi) Any determination by an Official or by the CEE Panel shall be rendered without prejudice as to the rights of the parties to the transaction to submit their dispute to arbitration.

(f) **Officer Acting on Own Motion.** An Officer of the Exchange or senior level employee designee, acting on his or her own motion, may review potentially erroneous transactions <u>occurring during the Early or Late Trading Session or during LULD Protected Hours in NMS Stocks not subject to the LULD Plan</u>[are eligible for review pursuant to paragraph (c)(1)] and declare trades null and void or shall decline to take any action in connection with the completed trade(s). In such events, the Officer of the Exchange or such other senior level employee designee will rely on the provisions of paragraph (c)(1) and (c)(2) of this Exchange Rule. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Trading Hours on the trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(g) **Transactions Occurring Outside of LULD Plan Price Bands**. If as a result of an Exchange technology or systems issue any transaction occurs outside of the applicable Price Bands disseminated pursuant to the LULD Plan, an Officer of the Exchange or senior level employee designee, acting on his or her own motion or at the request of a third party, shall review and declare any such trades null and void. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Trading Hours on the trading day following the date on which the execution(s) under review occurred. Each Member involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above. In the event that a single plan processor experiences a technology or systems issue that prevents the dissemination of Price Bands, the Exchange will make the determination of whether to nullify transactions based on paragraph (c)(1)(ii) above.

(h) **Multi-Day Event.** A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions (the "Event"). An Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall take action to declare all transactions that occurred during the Event null and void not later than the start of trading on the day following the last transaction in the Event. If trading in the security is halted before the valuation error is corrected, an Officer of the Exchange or senior level employee designee shall take action to declare all transactions that occurred during the Event null and void prior to the resumption of trading. Notwithstanding the foregoing, no action can be taken pursuant to this paragraph with respect to any transactions that have reached settlement date or that result from an initial public offering of a security. To the extent transactions related to an Event occur on one or more other market centers, the Exchange will promptly coordinate with such other market center(s) to ensure consistent treatment of the transactions related to the Event, if practicable. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this Exchange Rule. Each Member involved in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(i) **Trading Halts.** In the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of the Exchange, another market center or responsible single plan processor in connection with the transmittal or receipt of a regulatory trading halt, suspension or pause, an Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall nullify any transaction in a security that occurs after the primary listing market for such security declares a regulatory trading halt, suspension or pause with respect to such security and before such regulatory trading halt, suspension or pause with respect to such security has officially ended according to the primary listing market. In addition, in the event a regulatory trading halt, suspension or pause is declared, then prematurely lifted in error and is then re-instituted, an Officer of the Exchange or senior level employee designee shall nullify transactions that occur before the official, final end of the halt, suspension or pause according to the primary listing market. Any action taken in connection with this paragraph shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction and in no circumstances later than the start of Regular Trading Hours on the trading day following the date of execution(s) under review. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this Exchange Rule. Each Member involved in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

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