

Required fields are shown with yellow backgrounds and asterisks.

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

File No. \* SR 2026 - \* 16

Amendment No. (req. for Amendments \*)

Filing by MIAX Sapphire, LLC

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

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010  
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 make clarifying changes to the rule text.

**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 \* Tao Last Name \* Pan

Title \* AVP, Associate Counsel

E-mail \* tpan@miaxglobal.com

Telephone \* (609) 619-7942 Fax

**Signature**

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

Date 03/31/2026

(Title \*)

By Tao Pan

AVP, Associate Counsel

(Name \*)

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.

Tao Pan Date: 2026.03.31 17:14:50 -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 EDFS website.

**Form 19b-4 Information \***

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SR-SAPPHIRE-2026-16 - 19b4.docx

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

**Exhibit 1 - Notice of Proposed Rule Change \***

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SR-SAPPHIRE-2026-16 - Exhibit 1.doc

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 \***

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

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

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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**

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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**

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

**Exhibit 5 - Proposed Rule Text**

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SR-SAPPHIRE-2026-16 - Exhibit 5.doc

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

**Partial Amendment**

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

**1. Text of the Proposed Rule Change**

(a) MIAX Sapphire, LLC (“MIAX Sapphire” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to make clarifying changes to the rule text.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a 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 or his designee 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. No other action by the Exchange is necessary for the filing of the proposed rule change.

Questions and comments on the proposed rule change may be directed to Tao Pan, AVP and Associate Counsel, at (609) 619-7942.

**3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change****a. Purpose**

The Exchange proposes to make clarifying changes to select provisions in the Exchange’s Rulebook. These proposed changes are intended to provide additional detail and clarity

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

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

regarding trading on the Exchange's Trading Floor.<sup>3</sup> There is no change to any Exchange functionality, its operation, or any policy or procedure.

### Background

On the Exchange's Trading Floor, liquidity is provided by Floor Participants,<sup>4</sup> including Floor Market Makers.<sup>5</sup> After a Floor Broker<sup>6</sup> announces and exposes a single-sided or two-sided order, a Qualified Floor Order or "QFO," to the trading crowd on the Floor, the Floor Broker submits any resulting two-sided executed order into the Exchange's System,<sup>7</sup> to facilitate post-trade workflows as described below. All QFOs are subject to an open outcry process prior to submission to the System to facilitate post-trade workflows. During the open outcry process, the Floor Broker must provide Floor Participants a reasonable amount of time to respond with interest in trading against the order held by the Floor Broker.<sup>8</sup> Floor Participants respond at their discretion, indicating their interest (if any) in trading against the order. The Floor Broker then makes allocations (if any) to the responding Floor Participants, as required, in accordance with

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<sup>3</sup> The term "Trading Floor" or "Floor" means the physical trading floor of the Exchange located in Miami, Florida. The Trading Floor shall consist of one "Crowd Area" or "Pit" where Floor Participants will be located and option contracts will be traded. The Crowd Area or Pit shall be marked with specific visible boundaries on the Trading Floor, as determined by the Exchange. A Floor Broker must represent all orders in an "open outcry" fashion in the Crowd Area. See Exchange Rule 100.

<sup>4</sup> The term "Floor Participant" means Floor Brokers as defined in Rule 2015 and Floor Market Makers as defined in Rule 2105(b). See Exchange Rule 100.

<sup>5</sup> A Floor Market Maker is a Floor Participant of the Exchange located on the Trading Floor who has received permission from the Exchange to trade in options for his own account. See Exchange Rule 2105(b).

<sup>6</sup> A Floor Broker is an individual who is registered with the Exchange for the purpose, while on the Trading Floor, of accepting and handling options orders. A Floor Broker must be registered as a Floor Participant prior to registering as a Floor Broker. A Floor Broker may take into his own account, and subsequently liquidate, any position that results from an error made while attempting to execute, as Floor Broker, an order. See Exchange Rule 2015.

<sup>7</sup> The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

<sup>8</sup> See Exchange Rule 2040, Interpretations and Policies .09. A Floor Participant must verbalize that he is "in" after a Floor Broker announces an order, even if a valid quote has been provided by the Floor Participant prior to the announcement of the order by a Floor Broker.

the Exchange's allocation rules as set forth in the Exchange Rulebook. At this point, the QFO is considered executed. Then the Floor Broker must submit the executed QFO to the System<sup>9</sup> without undue delay.<sup>10</sup> The execution price must be equal to or better than the NBBO,<sup>11</sup> with certain exceptions, and may not trade through any equal priced or better priced Priority Customer<sup>12</sup> bids or offers on the Electronic Book<sup>13</sup> or trade through any better priced interest.<sup>14</sup> The highest bid (or lowest offer) has priority, but where two or more bids (or offers) represent the highest (or lowest) price, priority is afforded to such bids (or offers) in the sequence in which they are made.<sup>15</sup> The Floor Broker is responsible for handling all orders in accordance with the Exchange's priority and trade-through rules and for determining the sequence in which bids or offers are vocalized on the Trading Floor in response to the Floor Broker's bid, offer, or call for a market.<sup>16</sup> For instance, when a Floor Broker executes a single-leg QFO, the Floor Broker shall ensure that the execution price must be equal to or better than the NBBO, subject to the exceptions in Rule 1401(b). Additionally, the Floor Broker shall ensure that the QFO may not (1)

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<sup>9</sup> See supra note 7.

<sup>10</sup> See Exchange Rule 2040(c).

<sup>11</sup> The term "NBBO" means the national best bid or offer as calculated by the Exchange based on market information received by the Exchange from OPRA. See Exchange Rule 100.

<sup>12</sup> "Priority Customer" is defined as a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial accounts. See Exchange Rule 100.

<sup>13</sup> The term "Electronic Book" means the Exchange's Simple Order Book and Strategy Book. The "Simple Order Book" is the Exchange's regular electronic book of orders and quotes. The "Strategy Book" is the Exchange's electronic book of complex orders. See Exchange Rule 100.

<sup>14</sup> See Exchange Rule 2040(c).

<sup>15</sup> See Exchange Rule 2045(a) and (b). If the bids (or offers) of two or more Floor Participants are made simultaneously, or if it is impossible to determine clearly the order of time in which they are made, such bids (or offers) will be deemed to be on parity and priority will be afforded to them, insofar as practicable, on an equal basis. See Exchange Rule 2045(c). Exchange Rules also provide split-price priority to a Floor Participant that buys (sells) one or more contracts at one price with respect to buying (selling) the same number of contracts at the next lower (higher) price. See Exchange Rule 2040(i).

<sup>16</sup> See Exchange Rules 2040(a) and 2045(d)(1).

trade through any equal or better priced Priority Customer bids or offers on the Simple Order Book; or (2) trade through any interest on the Simple Order Book that is priced better than the proposed execution price.<sup>17</sup> If Floor Participants provide a collective response to a Floor Broker's request for a market in order to fill a large order and the size of the trading crowd's market exceeds the size of the order to be filled, that order will be allocated on a size pro rata basis.<sup>18</sup>

### Proposal

The Exchange proposes to make clarifying changes to certain provisions in Exchange Rule 2030, Responsibilities of Floor Brokers; Rule 2040, Qualified Floor Orders; and Rule 2055, Clerks, to more accurately describe order processing on the Exchange's Trading Floor.

#### Exchange Rule 2030, Responsibilities of Floor Brokers

The Exchange proposes to amend the announcement provision of Exchange Rule 2030. Currently, Rule 2030(e)(2) provides that, "[a] Floor Broker must announce an agency order that the Floor Broker is representing to the trading crowd before submitting the order to the Exchange's System for execution. This announcement must take place whether the Floor Broker is representing a single-sided order and soliciting contra-side interest, or the Floor Broker has sufficient interest to match against the agency order already. If a Floor Broker is holding two non-Priority Customer agency orders or two Priority Customer agency orders, the Floor Broker will choose which order is the agency order. If only one of the agency orders is for the account of a Priority Customer, that order must be the agency order."

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<sup>17</sup> See Exchange Rule 2040(c).

<sup>18</sup> See Exchange Rule 2045(d)(5). In such circumstances, the size of the order to be allocated will be multiplied by the size of an individual Floor Participant's quote divided by the aggregate size of all Floor Participants' quotes. See Exchange Rule 2045(d)(5)(ii).

The Exchange proposes to amend the first sentence of Rule 2030(e)(2) to better clarify the stages of an order on the Trading Floor and the processing that is performed when the executed order is submitted to the Exchange's System. Specifically, the Exchange proposes to revise this sentence to provide that, "[a] Floor Broker must announce an agency order that the Floor Broker is representing to the trading crowd before submitting the two-sided executed order to the Exchange's System to facilitate post-trade workflows." The Exchange believes this language properly delineates that an order is executed on the trading floor but must still undergo post-trade validation, designed to ensure regulatory conformity, prior to being treated as a validated trade (e.g., transmitted to the OCC).

The Exchange also proposes to make a similar change to Policy .02 of Exchange Rule 2030. Currently, Interpretation and Policy .02 to Rule 2030 provides that, "Floor Brokers must make reasonable efforts to ascertain whether each order entrusted to them is for the account of a Priority Customer or a broker-dealer. If it is ascertained that the order is for the account of a broker-dealer, the responsible Floor Broker must advise the trading crowd of that fact prior to bidding/offering on behalf of the order or submitting the order for execution. The Floor Broker or his employees must make the appropriate notation in their system when it has been determined that the order is for an account of a broker-dealer."

The Exchange now proposes to amend the second sentence of Interpretation and Policy.02 of Exchange Rule 2030 to properly align it to the lifecycle of an order executed on the Trading Floor. Specifically, the Exchange proposes to amend the sentence to provide that, "[i]f it is ascertained that the order is for the account of a broker-dealer, the responsible Floor Broker must advise the trading crowd of that fact prior to bidding/offering on behalf of the order or submitting the two-sided executed order into the Exchange's System to facilitate post-trade

workflows.” The Exchange believes this revision better encapsulates order processing on the Trading Floor.

#### Rule 2040, Qualified Floor Orders

The Exchange proposes to amend Exchange Rule 2040(a), (b), (c), and (h) to clarify that the Exchange’s System does not execute QFOs. Rather, QFOs are executed on the Trading Floor and are only submitted to the Exchange’s System to facilitate post-trade workflows. After QFOs are executed on the Trading Floor, they are subject to post-trade validation. Post-trade workflows include validating that the trade price is in compliance with Regulation NMS (National Market System) or (“Reg NMS”), the Options Locked and Crossed Market Plan, and Trading Floor Price Collar Protection (“TFPCP”), and also validating that the QFO is handled in accordance with the Exchange priority rules, and recording the transaction by the Exchange. If a QFO fails post-trade validation, it will be invalidated. The trading workflow on the Trading Floor starts when a Floor Broker receives or forms a fully paired order or a one-sided order through any of their own proprietary systems or sources (from clients directly, messaging systems, etc.). The Floor Broker will then announce, as required, the agency side of the paired order or the one-sided order to the trading crowd, including underlying, contract details, side, price, and total size of the order. Floor Participants will respond at their discretion, indicating their interest on the contra side of the trade. The Floor Broker will indicate allocations to each of the responding Floor Participants, as required, in accordance with the Exchange’s allocation rules<sup>19</sup> as set forth in the Exchange Rulebook. At this point, the QFO is considered executed. The purpose of submitting the QFO to the Exchange’s System is to facilitate post-trade workflows. Post-trade workflows include validating that the trade price is in compliance with Reg NMS, the Options Locked and Crossed

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<sup>19</sup> See Exchange Rule 2040(d).

Market Plan, and TFPCP, and also validating that the QFO is handled in accordance with the Exchange priority rules, and recording the transaction by the Exchange. As part of post-trade workflows, the System validates that there are no contracts on the Electronic Book that have priority over the contra-side order, among other things. A Floor Broker may, but is not required to, provide a maximum surrender size.<sup>20</sup> The maximum surrender size is a feature offered by the Exchange, which facilitates a process which could otherwise be completed by the Floor Broker, whereby the Floor Broker provides an instruction to the System to sweep the Electronic Book as needed for higher priority liquidity.<sup>21</sup> Pursuant to the maximum surrender size feature, if the number of contracts on the Electronic Book that have priority over the contra-side order is less than or equal to the maximum surrender size the QFO (cQFO) is treated as valid, however, the contracts on the initiating side of the QFO (cQFO) will be allocated against contracts on the Electronic Book with higher priority over the contra-side of the order.<sup>22</sup> The number of contracts to be crossed will be reduced by the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO. The remaining balance of contracts on the initiating side of the QFO (cQFO) will be allocated against the contracts on the contra-side of the QFO in accordance with Exchange Rule 2040(d). If the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO is greater than the maximum surrender size, then the QFO is invalidated and the Floor Broker is notified.<sup>23</sup> An invalidation message stating that the QFO is invalidated and the reason why it is invalidated will be sent to the Floor Broker. The Floor Broker may address the issue identified in the invalidation message and resubmit the QFO

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<sup>20</sup> See Exchange Rule 2040(h).

<sup>21</sup> The maximum surrender size is an optional feature that assist Floor Brokers by eliminating the need to send a separate order to clear higher priority liquidity on the Electronic Book

<sup>22</sup> See Exchange Rule 2040(d)(1).

<sup>23</sup> See proposed Exchange Rule 2040(h).

to the System. Alternatively, the Floor Broker may elect not to resubmit the QFO. The Exchange proposes to amend Exchange Rules 2040(d)(1), (2) and (3) to clarify the allocation rules.

Exchange Rules 2040(d)(1) and (2) currently state that, provided that an adequate maximum surrender size was provided by the Floor Broker, the initiating side of the QFO (cQFO) will match against any bids or offers on the Simple Order Book (Strategy Book) priced better than the contra-side, then match against Priority Customer Orders on the Simple Order Book (Strategy Book), along with any bids or offers of non-Priority Customers ranked ahead of such Priority Customer Orders on the Simple Order Book (Strategy Book). Last, Exchange Rule 2040(d)(3) currently provides that, the remaining balance of the initiating side of the QFO (cQFO) will match against the contra-side of the QFO (cQFO). The Exchange proposes to amend Exchange Rule 2040(d) to provide that the initiating side of QFO will be allocated against, not match against, any contracts on the Electronic Book with higher priority over the contra-side of the QFO. This is to clarify that the System does not match QFOs (e.g., when the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO is greater than the maximum surrender size, the QFO is simply invalidated). Rather, QFOs are matched by Floor Brokers and executed on the Trading Floor. Proposed Exchange Rule 2040 would provide how a QFO is allocated, not how a QFO is matched. In addition, the Exchange proposes to remove “by the System” from the first sentence of Exchange Rule 2040(d)(3). This is to clarify that it is the Floor Broker who will allocate the initiating side the QFO (cQFO) against the contra-side of the QFO (cQFO), not the Exchange’s System.

The Exchange proposes to amend Exchange Rule 2040(h) to clarify how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. Specifically, the Exchange proposes to amend the last sentences of

the first and second paragraphs in Exchange Rule 2040(h) to clarify that if the number of contracts on the Electronic Book that have priority over the contra-side order is less than or equal to the maximum surrender size, then the initiating side of the QFO (cQFO) will be allocated against any bids or offers on the Simple Order Book (Strategy Book) with higher priority over the contra-side of the QFO (cQFO), and the remaining balance of the initiating side of QFO (cQFO) will be allocated against the contra-side of the QFO (cQFO). The purpose of the proposed changes is to add more detail within the Rulebook as to how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. The proposed changes to Rule 2040(h) are consistent with allocation rules set forth in proposed Exchange Rule 2040(d).

The Exchange proposes to add “as an instruction to the System” at the end of the first sentence of the first and second paragraphs in Exchange Rule 2040(h). The purpose of the proposed changes is to specify that the maximum surrender size is the instruction provided by the Floor Broker to the Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order.

The Exchange also proposes to add a sentence specifying that “[i]f the Floor Broker fails to provide a maximum surrender size, such value shall be deemed to be zero” after the second sentence of both of the first and second paragraphs in Exchange Rule 2040(h). As mentioned above, the maximum surrender size is the instruction provided by the Floor Broker to the Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order. The Exchange does not clear any contracts on the Simple Order Book and Strategy Book unless there is a clear instruction provided by the Floor Broker, therefore, the Exchange believes that it is appropriate to set the default value of the

maximum surrender size as zero if the Floor Broker fails to provide a maximum surrender size. The purpose of the proposed changes is to specify that the maximum surrender size shall be deemed to be zero, unless a maximum surrender size is expressly provided by the Floor Broker.

The Exchange proposes to remove “electronic” from the second sentence of Exchange Rule 2055(f)(2). Currently, Exchange Rule 2055 provides that “...[a] Floor Market Maker Clerk may consummate *electronic* transactions under the express direction of his or her Floor Market Maker employer by matching bids and offers...” The Exchange proposes to remove “electronic” from Exchange Rule 2055(f)(2). The Exchange does maintain a separate, fully automated electronic options matching engine, however, the Exchange notes that its electronic matching engine operates completely independent from its Trading Floor trade matching process. The transactions occurring on the Trading Floor are executed on the Trading Floor and then the two-sided executed transactions are submitted to the Exchange’s System to facilitate post-trade workflows as discussed above. The purpose of the proposed rule change is to clarify that the transactions occurring on the Trading Floor are separate and distinct from transactions occurring in the electronic market and Floor Market Maker Clerks are only involved in the transactions occurring on the Trading Floor.

The Exchange proposes to add “on the Simple Order Book” at the end of Exchange Rule 2040(a)(6). The purpose of the proposed change is to add greater detail to the Exchange’s Rulebook and make it easier to understand. QFOs may be complex orders as defined in proposed Exchange Rule 518. A “complex order” is any order involving the concurrent purchase and/or sale of two or more different options in the same underlying security (the “legs” or “components” of the complex order), for the same account, in a conforming or non-conforming

ratio as defined below for the purposes of executing a particular investment strategy.<sup>24</sup> For a cQFO to be valid, all of the components need to be open for trading on the Simple Order Book. In addition, for stock-tied cQFOs, the stock must be open for trading.

The Exchange proposes to add a comma after “If” in the beginning of the last sentence in Exchange Rule 2040(d)(3). The purpose of the proposed change is to correct grammatical error and make it easier to interpret the Exchange’s Rulebook.

In addition, the Exchange propose to replace “Complex QFO” with “cQFO” throughout Exchange Rule 2040. Complex QFO is cQFO, as defined in Rule 2040(a)(6). This is to add more clarity and consistency within the Rulebook.

The Exchange does not propose to amend any existing functionality of the Exchange’s System with this proposal. The Exchange proposes to make clarifying changes to select provisions in the Exchange’s Rulebook. These proposed changes are intended to provide additional detail and clarity regarding trading on the Exchange’s Trading Floor. There is no change to any Exchange functionality, its operation, or any policy or procedure. These proposed non-substantive changes would ensure that the Exchange’s Rules are not misleading and easier to understand.

b. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,<sup>25</sup> in general, and furthers the objectives of Section 6(b)(5)<sup>26</sup> of the Act in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect

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<sup>24</sup> See Exchange Rule 518(a).

<sup>25</sup> 15 U.S.C. 78f(b).

<sup>26</sup> 15 U.S.C. 78f(b)(5).

the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange proposes to make clarifying changes to the rule text. The proposal to amend Exchange Rule 2030(e)(2), Interpretation and Policy .02 to Exchange Rule 2030, and Exchange Rule 2040(a), (b), (c), and (h) is to clarify that the Exchange's System does not execute QFOs. Rather, the QFOs are submitted to the Exchange's System to facilitate post-trade workflows. QFOs are executed on the Trading Floor and subject to post-trade validation. If a QFO fails post-trade validation, it is invalidated. The proposal to amend Exchange Rule 2040(d) is to provide that the initiating side of QFO will be allocated against, not match against, any contracts on the Electronic Book with higher priority over the contra-side of the QFO, and to clarify that it is the Floor Broker who will match the initiating side the QFO (cQFO) against the contra-side of the QFO (cQFO), not the Exchange's System. The proposed change to add "as an instruction to the System" at the end of the first sentence of the first and second paragraphs in Exchange Rule 2040(h) is to specify that the maximum surrender size is the instruction provided by the Floor Broker to the Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order. The proposed change to amend Exchange Rule 2040(h) is to specify that the maximum surrender size shall be deemed to be zero, unless a maximum surrender size is expressly provided by the floor broker and to add more detail within the Rulebook as to how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. The proposal to amend Exchange Rule 2055(f)(2) is to clarify that the transactions occurring on the Trading Floor are separate and distinct from transactions occurring in the electronic market and Floor Market Maker Clerks are only involved in transactions on the Trading Floor. The proposed

change to add “on the Simple Order Book” at the end of Exchange Rule 2040(a)(6) is to add greater detail to the Exchange’s Rulebook. The proposed change to add a comma after “If” in the beginning of the last sentence in Exchange Rule 2040(d)(3) is to correct grammatical error and make it easier to interpret the Exchange’s Rulebook. The proposal to replace “Complex QFO” with “cQFO” throughout Exchange Rule 2040 is to add more clarity and consistency within the Rulebook. The Exchange does not propose to amend any existing functionality of the Exchange’s System with this proposal. The Exchange proposes to make clarifying changes to select provisions in the Exchange’s Rulebook. These proposed changes are intended to provide additional detail and clarity regarding trading on the Exchange’s Trading Floor. There is no change to any Exchange functionality, its operation, or any policy or procedure.

These proposed non-substantive changes would ensure that the Exchange’s Rules are not misleading and easier to understand. In addition, the proposed rule changes would reduce potential investor and market participant confusion and therefore remove impediments to and perfect the mechanism of a free and open market and a national market system by ensuring that investors and market participants can more easily navigate, understand and comply with the Exchange’s Rules. The Exchange also believes that the proposed rule changes would remove impediments to and perfects the mechanism of a free and open market by ensuring that persons subject to the Exchange’s jurisdiction, regulators, and the investing public can more easily navigate and understand the Exchange’s Rules. The proposed rule changes are not inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from the increased transparency and clarity, thereby reducing potential confusion.

#### **4. Self-Regulatory Organization’s Statement on Burden on Competition**

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

Intramarket Competition

The Exchange believes the proposed rule changes do not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are not intended to address competitive issues but rather are concerned solely with making clarifying changes to the rule text with no proposed changes to related functionality.

Intermarket Competition

The Exchange believes the proposed rule changes do not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are not intended to address competitive issues but rather are concerned solely with making clarifying changes to the rule text with no proposed changes to related functionality.

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

No written comments were either solicited or received.

**6. Extension of Time Period for Commission Action**

Not applicable.

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

Pursuant to Section 19(b)(3)(A) of the Act<sup>27</sup> and Rule 19b-4(f)(6)<sup>28</sup> 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.

The Exchange believes that the proposed rule changes would not adversely affect investors or the public interest, as the Exchange is proposing non-substantive changes to make clarifying changes to the rule text with no proposed changes to related functionality. Rather, the proposed changes would contribute to the orderly operation of the Exchange by ensuring the accuracy of, and adding clarity and transparency to, the Exchange's Rules to the benefit of investors and the investing public.

Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file a 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. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act<sup>29</sup> normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)<sup>30</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

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<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f)(6).

<sup>29</sup> Id.

<sup>30</sup> Id.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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

Not applicable.

**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-SAPPHIRE-2026-16)

\_\_\_\_\_, 2026

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX Sapphire, LLC to Make Clarifying Changes to The Rule Text

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on \_\_\_\_\_, 2026, MIAX Sapphire, LLC (“MIAX Sapphire” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to make clarifying changes to the rule text.

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

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C

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

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

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 make clarifying changes to select provisions in the Exchange's Rulebook. These proposed changes are intended to provide additional detail and clarity regarding trading on the Exchange's Trading Floor.<sup>3</sup> There is no change to any Exchange functionality, its operation, or any policy or procedure.

Background

On the Exchange's Trading Floor, liquidity is provided by Floor Participants,<sup>4</sup> including Floor Market Makers.<sup>5</sup> After a Floor Broker<sup>6</sup> announces and exposes a single-sided or two-sided order, a Qualified Floor Order or "QFO," to the trading crowd on the Floor, the Floor Broker submits any resulting two-sided executed order into the Exchange's System,<sup>7</sup> to facilitate post-trade workflows as described below. All QFOs are subject to an open outcry process prior to submission to the System to facilitate post-trade workflows. During the open outcry process, the

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<sup>3</sup> The term "Trading Floor" or "Floor" means the physical trading floor of the Exchange located in Miami, Florida. The Trading Floor shall consist of one "Crowd Area" or "Pit" where Floor Participants will be located and option contracts will be traded. The Crowd Area or Pit shall be marked with specific visible boundaries on the Trading Floor, as determined by the Exchange. A Floor Broker must represent all orders in an "open outcry" fashion in the Crowd Area. See Exchange Rule 100.

<sup>4</sup> The term "Floor Participant" means Floor Brokers as defined in Rule 2015 and Floor Market Makers as defined in Rule 2105(b). See Exchange Rule 100.

<sup>5</sup> A Floor Market Maker is a Floor Participant of the Exchange located on the Trading Floor who has received permission from the Exchange to trade in options for his own account. See Exchange Rule 2105(b).

<sup>6</sup> A Floor Broker is an individual who is registered with the Exchange for the purpose, while on the Trading Floor, of accepting and handling options orders. A Floor Broker must be registered as a Floor Participant prior to registering as a Floor Broker. A Floor Broker may take into his own account, and subsequently liquidate, any position that results from an error made while attempting to execute, as Floor Broker, an order. See Exchange Rule 2015.

<sup>7</sup> The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

Floor Broker must provide Floor Participants a reasonable amount of time to respond with interest in trading against the order held by the Floor Broker.<sup>8</sup> Floor Participants respond at their discretion, indicating their interest (if any) in trading against the order. The Floor Broker then makes allocations (if any) to the responding Floor Participants, as required, in accordance with the Exchange's allocation rules as set forth in the Exchange Rulebook. At this point, the QFO is considered executed. Then the Floor Broker must submit the executed QFO to the System<sup>9</sup> without undue delay.<sup>10</sup> The execution price must be equal to or better than the NBBO,<sup>11</sup> with certain exceptions, and may not trade through any equal priced or better priced Priority Customer<sup>12</sup> bids or offers on the Electronic Book<sup>13</sup> or trade through any better priced interest.<sup>14</sup> The highest bid (or lowest offer) has priority, but where two or more bids (or offers) represent the highest (or lowest) price, priority is afforded to such bids (or offers) in the sequence in which they are made.<sup>15</sup> The Floor Broker is responsible for handling all orders in accordance with the Exchange's priority and trade-through rules and for determining the sequence in which bids or

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<sup>8</sup> See Exchange Rule 2040, Interpretations and Policies .09. A Floor Participant must verbalize that he is "in" after a Floor Broker announces an order, even if a valid quote has been provided by the Floor Participant prior to the announcement of the order by a Floor Broker.

<sup>9</sup> See supra note 7.

<sup>10</sup> See Exchange Rule 2040(c).

<sup>11</sup> The term "NBBO" means the national best bid or offer as calculated by the Exchange based on market information received by the Exchange from OPRA. See Exchange Rule 100.

<sup>12</sup> "Priority Customer" is defined as a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial accounts. See Exchange Rule 100.

<sup>13</sup> The term "Electronic Book" means the Exchange's Simple Order Book and Strategy Book. The "Simple Order Book" is the Exchange's regular electronic book of orders and quotes. The "Strategy Book" is the Exchange's electronic book of complex orders. See Exchange Rule 100.

<sup>14</sup> See Exchange Rule 2040(c).

<sup>15</sup> See Exchange Rule 2045(a) and (b). If the bids (or offers) of two or more Floor Participants are made simultaneously, or if it is impossible to determine clearly the order of time in which they are made, such bids (or offers) will be deemed to be on parity and priority will be afforded to them, insofar as practicable, on an equal basis. See Exchange Rule 2045(c). Exchange Rules also provide split-price priority to a Floor Participant that buys (sells) one or more contracts at one price with respect to buying (selling) the same number of contracts at the next lower (higher) price. See Exchange Rule 2040(i).

offers are vocalized on the Trading Floor in response to the Floor Broker's bid, offer, or call for a market.<sup>16</sup> For instance, when a Floor Broker executes a single-leg QFO, the Floor Broker shall ensure that the execution price must be equal to or better than the NBBO, subject to the exceptions in Rule 1401(b). Additionally, the Floor Broker shall ensure that the QFO may not (1) trade through any equal or better priced Priority Customer bids or offers on the Simple Order Book; or (2) trade through any interest on the Simple Order Book that is priced better than the proposed execution price.<sup>17</sup> If Floor Participants provide a collective response to a Floor Broker's request for a market in order to fill a large order and the size of the trading crowd's market exceeds the size of the order to be filled, that order will be allocated on a size pro rata basis.<sup>18</sup>

### Proposal

The Exchange proposes to make clarifying changes to certain provisions in Exchange Rule 2030, Responsibilities of Floor Brokers; Rule 2040, Qualified Floor Orders; and Rule 2055, Clerks, to more accurately describe order processing on the Exchange's Trading Floor.

### Exchange Rule 2030, Responsibilities of Floor Brokers

The Exchange proposes to amend the announcement provision of Exchange Rule 2030. Currently, Rule 2030(e)(2) provides that, "[a] Floor Broker must announce an agency order that the Floor Broker is representing to the trading crowd before submitting the order to the Exchange's System for execution. This announcement must take place whether the Floor Broker is representing a single-sided order and soliciting contra-side interest, or the Floor Broker has

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<sup>16</sup> See Exchange Rules 2040(a) and 2045(d)(1).

<sup>17</sup> See Exchange Rule 2040(c).

<sup>18</sup> See Exchange Rule 2045(d)(5). In such circumstances, the size of the order to be allocated will be multiplied by the size of an individual Floor Participant's quote divided by the aggregate size of all Floor Participants' quotes. See Exchange Rule 2045(d)(5)(ii).

sufficient interest to match against the agency order already. If a Floor Broker is holding two non-Priority Customer agency orders or two Priority Customer agency orders, the Floor Broker will choose which order is the agency order. If only one of the agency orders is for the account of a Priority Customer, that order must be the agency order.”

The Exchange proposes to amend the first sentence of Rule 2030(e)(2) to better clarify the stages of an order on the Trading Floor and the processing that is performed when the executed order is submitted to the Exchange’s System. Specifically, the Exchange proposes to revise this sentence to provide that, “[a] Floor Broker must announce an agency order that the Floor Broker is representing to the trading crowd before submitting the two-sided executed order to the Exchange’s System to facilitate post-trade workflows.” The Exchange believes this language properly delineates that an order is executed on the trading floor but must still undergo post-trade validation, designed to ensure regulatory conformity, prior to being treated as a validated trade (e.g., transmitted to the OCC).

The Exchange also proposes to make a similar change to Policy .02 of Exchange Rule 2030. Currently, Interpretation and Policy .02 to Rule 2030 provides that, “Floor Brokers must make reasonable efforts to ascertain whether each order entrusted to them is for the account of a Priority Customer or a broker-dealer. If it is ascertained that the order is for the account of a broker-dealer, the responsible Floor Broker must advise the trading crowd of that fact prior to bidding/offering on behalf of the order or submitting the order for execution. The Floor Broker or his employees must make the appropriate notation in their system when it has been determined that the order is for an account of a broker-dealer.”

The Exchange now proposes to amend the second sentence of Interpretation and Policy.02 of Exchange Rule 2030 to properly align it to the lifecycle of an order executed on the Trading Floor. Specifically, the Exchange proposes to amend the sentence to provide that, “[i]f

it is ascertained that the order is for the account of a broker-dealer, the responsible Floor Broker must advise the trading crowd of that fact prior to bidding/offering on behalf of the order or submitting the two-sided executed order into the Exchange's System to facilitate post-trade workflows." The Exchange believes this revision better encapsulates order processing on the Trading Floor.

#### Rule 2040, Qualified Floor Orders

The Exchange proposes to amend Exchange Rule 2040(a), (b), (c), and (h) to clarify that the Exchange's System does not execute QFOs. Rather, QFOs are executed on the Trading Floor and are only submitted to the Exchange's System to facilitate post-trade workflows. After QFOs are executed on the Trading Floor, they are subject to post-trade validation. Post-trade workflows include validating that the trade price is in compliance with Regulation NMS (National Market System) or ("Reg NMS"), the Options Locked and Crossed Market Plan, and Trading Floor Price Collar Protection ("TFPCP"), and also validating that the QFO is handled in accordance with the Exchange priority rules, and recording the transaction by the Exchange. If a QFO fails post-trade validation, it will be invalidated. The trading workflow on the Trading Floor starts when a Floor Broker receives or forms a fully paired order or a one-sided order through any of their own proprietary systems or sources (from clients directly, messaging systems, etc.). The Floor Broker will then announce, as required, the agency side of the paired order or the one-sided order to the trading crowd, including underlying, contract details, side, price, and total size of the order. Floor Participants will respond at their discretion, indicating their interest on the contra side of the trade. The Floor Broker will indicate allocations to each of the responding Floor Participants, as required, in accordance with the Exchange's allocation rules<sup>19</sup> as set forth in the Exchange

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<sup>19</sup> See Exchange Rule 2040(d).

Rulebook. At this point, the QFO is considered executed. The purpose of submitting the QFO to the Exchange's System is to facilitate post-trade workflows. Post-trade workflows include validating that the trade price is in compliance with Reg NMS, the Options Locked and Crossed Market Plan, and TFPCP, and also validating that the QFO is handled in accordance with the Exchange priority rules, and recording the transaction by the Exchange. As part of post-trade workflows, the System validates that there are no contracts on the Electronic Book that have priority over the contra-side order, among other things. A Floor Broker may, but is not required to, provide a maximum surrender size.<sup>20</sup> The maximum surrender size is a feature offered by the Exchange, which facilitates a process which could otherwise be completed by the Floor Broker, whereby the Floor Broker provides an instruction to the System to sweep the Electronic Book as needed for higher priority liquidity.<sup>21</sup> Pursuant to the maximum surrender size feature, if the number of contracts on the Electronic Book that have priority over the contra-side order is less than or equal to the maximum surrender size the QFO (cQFO) is treated as valid, however, the contracts on the initiating side of the QFO (cQFO) will be allocated against contracts on the Electronic Book with higher priority over the contra-side of the order.<sup>22</sup> The number of contracts to be crossed will be reduced by the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO. The remaining balance of contracts on the initiating side of the QFO (cQFO) will be allocated against the contracts on the contra-side of the QFO in accordance with Exchange Rule 2040(d). If the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO is greater than the maximum surrender size, then

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<sup>20</sup> See Exchange Rule 2040(h).

<sup>21</sup> The maximum surrender size is an optional feature that assist Floor Brokers by eliminating the need to send a separate order to clear higher priority liquidity on the Electronic Book

<sup>22</sup> See Exchange Rule 2040(d)(1).

the QFO is invalidated and the Floor Broker is notified.<sup>23</sup> An invalidation message stating that the QFO is invalidated and the reason why it is invalidated will be sent to the Floor Broker. The Floor Broker may address the issue identified in the invalidation message and resubmit the QFO to the System. Alternatively, the Floor Broker may elect not to resubmit the QFO. The Exchange proposes to amend Exchange Rules 2040(d)(1), (2) and (3) to clarify the allocation rules.

Exchange Rules 2040(d)(1) and (2) currently state that, provided that an adequate maximum surrender size was provided by the Floor Broker, the initiating side of the QFO (cQFO) will match against any bids or offers on the Simple Order Book (Strategy Book) priced better than the contra-side, then match against Priority Customer Orders on the Simple Order Book (Strategy Book), along with any bids or offers of non-Priority Customers ranked ahead of such Priority Customer Orders on the Simple Order Book (Strategy Book). Last, Exchange Rule 2040(d)(3) currently provides that, the remaining balance of the initiating side of the QFO (cQFO) will match against the contra-side of the QFO (cQFO). The Exchange proposes to amend Exchange Rule 2040(d) to provide that the initiating side of QFO will be allocated against, not match against, any contracts on the Electronic Book with higher priority over the contra-side of the QFO. This is to clarify that the System does not match QFOs (e.g., when the number of contracts on the Electronic Book with higher priority over the contra-side of the QFO is greater than the maximum surrender size, the QFO is simply invalidated). Rather, QFOs are matched by Floor Brokers and executed on the Trading Floor. Proposed Exchange Rule 2040 would provide how a QFO is allocated, not how a QFO is matched. In addition, the Exchange proposes to remove “by the System” from the first sentence of Exchange Rule 2040(d)(3). This is to clarify that it is the

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<sup>23</sup> See proposed Exchange Rule 2040(h).

Floor Broker who will allocate the initiating side the QFO (cQFO) against the contra-side of the QFO (cQFO), not the Exchange's System.

The Exchange proposes to amend Exchange Rule 2040(h) to clarify how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. Specifically, the Exchange proposes to amend the last sentences of the first and second paragraphs in Exchange Rule 2040(h) to clarify that if the number of contracts on the Electronic Book that have priority over the contra-side order is less than or equal to the maximum surrender size, then the initiating side of the QFO (cQFO) will be allocated against any bids or offers on the Simple Order Book (Strategy Book) with higher priority over the contra-side of the QFO (cQFO), and the remaining balance of the initiating side of QFO (cQFO) will be allocated against the contra-side of the QFO (cQFO). The purpose of the proposed changes is to add more detail within the Rulebook as to how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. The proposed changes to Rule 2040(h) are consistent with allocation rules set forth in proposed Exchange Rule 2040(d).

The Exchange proposes to add "as an instruction to the System" at the end of the first sentence of the first and second paragraphs in Exchange Rule 2040(h). The purpose of the proposed changes is to specify that the maximum surrender size is the instruction provided by the Floor Broker to the Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order.

The Exchange also proposes to add a sentence specifying that "[i]f the Floor Broker fails to provide a maximum surrender size, such value shall be deemed to be zero" after the second sentence of both of the first and second paragraphs in Exchange Rule 2040(h). As mentioned above, the maximum surrender size is the instruction provided by the Floor Broker to the

Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order. The Exchange does not clear any contracts on the Simple Order Book and Strategy Book unless there is a clear instruction provided by the Floor Broker, therefore, the Exchange believes that it is appropriate to set the default value of the maximum surrender size as zero if the Floor Broker fails to provide a maximum surrender size. The purpose of the proposed changes is to specify that the maximum surrender size shall be deemed to be zero, unless a maximum surrender size is expressly provided by the Floor Broker.

The Exchange proposes to remove “electronic” from the second sentence of Exchange Rule 2055(f)(2). Currently, Exchange Rule 2055 provides that “...[a] Floor Market Maker Clerk may consummate *electronic* transactions under the express direction of his or her Floor Market Maker employer by matching bids and offers...” The Exchange proposes to remove “electronic” from Exchange Rule 2055(f)(2). The Exchange does maintain a separate, fully automated electronic options matching engine, however, the Exchange notes that its electronic matching engine operates completely independent from its Trading Floor trade matching process. The transactions occurring on the Trading Floor are executed on the Trading Floor and then the two-sided executed transactions are submitted to the Exchange’s System to facilitate post-trade workflows as discussed above. The purpose of the proposed rule change is to clarify that the transactions occurring on the Trading Floor are separate and distinct from transactions occurring in the electronic market and Floor Market Maker Clerks are only involved in the transactions occurring on the Trading Floor.

The Exchange proposes to add “on the Simple Order Book” at the end of Exchange Rule 2040(a)(6). The purpose of the proposed change is to add greater detail to the Exchange’s Rulebook and make it easier to understand. QFOs may be complex orders as defined in proposed Exchange Rule 518. A “complex order” is any order involving the concurrent purchase and/or

sale of two or more different options in the same underlying security (the “legs” or “components” of the complex order), for the same account, in a conforming or non-conforming ratio as defined below for the purposes of executing a particular investment strategy.<sup>24</sup> For a cQFO to be valid, all of the components need to be open for trading on the Simple Order Book. In addition, for stock-tied cQFOs, the stock must be open for trading.

The Exchange proposes to add a comma after “If” in the beginning of the last sentence in Exchange Rule 2040(d)(3). The purpose of the proposed change is to correct grammatical error and make it easier to interpret the Exchange’s Rulebook.

In addition, the Exchange propose to replace “Complex QFO” with “cQFO” throughout Exchange Rule 2040. Complex QFO is cQFO, as defined in Rule 2040(a)(6). This is to add more clarity and consistency within the Rulebook.

The Exchange does not propose to amend any existing functionality of the Exchange’s System with this proposal. The Exchange proposes to make clarifying changes to select provisions in the Exchange’s Rulebook. These proposed changes are intended to provide additional detail and clarity regarding trading on the Exchange’s Trading Floor. There is no change to any Exchange functionality, its operation, or any policy or procedure. These proposed non-substantive changes would ensure that the Exchange’s Rules are not misleading and easier to understand.

## 2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,<sup>25</sup> in general, and furthers the objectives of Section 6(b)(5)<sup>26</sup> of the Act in particular, in that it is designed to

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<sup>24</sup> See Exchange Rule 518(a).

<sup>25</sup> 15 U.S.C. 78f(b).

<sup>26</sup> 15 U.S.C. 78f(b)(5).

promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange proposes to make clarifying changes to the rule text. The proposal to amend Exchange Rule 2030(e)(2), Interpretation and Policy .02 to Exchange Rule 2030, and Exchange Rule 2040(a), (b), (c), and (h) is to clarify that the Exchange's System does not execute QFOs. Rather, the QFOs are submitted to the Exchange's System to facilitate post-trade workflows. QFOs are executed on the Trading Floor and subject to post-trade validation. If a QFO fails post-trade validation, it is invalidated. The proposal to amend Exchange Rule 2040(d) is to provide that the initiating side of QFO will be allocated against, not match against, any contracts on the Electronic Book with higher priority over the contra-side of the QFO, and to clarify that it is the Floor Broker who will match the initiating side the QFO (cQFO) against the contra-side of the QFO (cQFO), not the Exchange's System. The proposed change to add "as an instruction to the System" at the end of the first sentence of the first and second paragraphs in Exchange Rule 2040(h) is to specify that the maximum surrender size is the instruction provided by the Floor Broker to the Exchange to clear a certain number of contracts on the Simple Order Book and Strategy Book that have priority over the contra-side order. The proposed change to amend Exchange Rule 2040(h) is to specify that the maximum surrender size shall be deemed to be zero, unless a maximum surrender size is expressly provided by the floor broker and to add more detail within the Rulebook as to how the initiating side of the QFO (cQFO) is allocated provided that an adequate maximum surrender size was provided by the Floor Broker. The proposal to amend Exchange Rule 2055(f)(2) is to clarify that the transactions occurring on the Trading Floor are separate and distinct from transactions occurring in the electronic market and

Floor Market Maker Clerks are only involved in transactions on the Trading Floor. The proposed change to add “on the Simple Order Book” at the end of Exchange Rule 2040(a)(6) is to add greater detail to the Exchange’s Rulebook. The proposed change to add a comma after “If” in the beginning of the last sentence in Exchange Rule 2040(d)(3) is to correct grammatical error and make it easier to interpret the Exchange’s Rulebook. The proposal to replace “Complex QFO” with “cQFO” throughout Exchange Rule 2040 is to add more clarity and consistency within the Rulebook. The Exchange does not propose to amend any existing functionality of the Exchange’s System with this proposal. The Exchange proposes to make clarifying changes to select provisions in the Exchange’s Rulebook. These proposed changes are intended to provide additional detail and clarity regarding trading on the Exchange’s Trading Floor. There is no change to any Exchange functionality, its operation, or any policy or procedure.

These proposed non-substantive changes would ensure that the Exchange’s Rules are not misleading and easier to understand. In addition, the proposed rule changes would reduce potential investor and market participant confusion and therefore remove impediments to and perfect the mechanism of a free and open market and a national market system by ensuring that investors and market participants can more easily navigate, understand and comply with the Exchange’s Rules. The Exchange also believes that the proposed rule changes would remove impediments to and perfects the mechanism of a free and open market by ensuring that persons subject to the Exchange’s jurisdiction, regulators, and the investing public can more easily navigate and understand the Exchange’s Rules. The proposed rule changes are not inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from the increased transparency and clarity, thereby reducing potential confusion.

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

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

#### Intramarket Competition

The Exchange believes the proposed rule changes do not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are not intended to address competitive issues but rather are concerned solely with making clarifying changes to the rule text with no proposed changes to related functionality.

#### Intermarket Competition

The Exchange believes the proposed rule changes do not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes are not intended to address competitive issues but rather are concerned solely with making clarifying changes to the rule text with no proposed changes to related functionality.

#### 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<sup>27</sup> and Rule 19b-4(f)(6)<sup>28</sup> 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

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<sup>27</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>28</sup> 17 CFR 240.19b-4(f)(6).

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:

##### Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
- or
- Send an e-mail [to rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-SAPPHIRE-2026-16 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-SAPPHIRE-2026-16. 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-SAPPHIRE-2026-16 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>29</sup>

**Sherry R. Haywood,**  
*Assistant Secretary*

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<sup>29</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 5**

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

**MIAX Sapphire Options Exchange Rulebook**

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**Rule 2030. Responsibilities of Floor Brokers**

(a) — (d) No Change.

(e) **Orders for Floor Brokers.** A Floor Broker must comply with the following requirements when representing orders on the Trading Floor, in addition to the requirements of Rule 2040.

(1) No change.

(2) Announcement. A Floor Broker must announce an agency order that the Floor Broker is representing to the trading crowd before submitting the two-sided executed order to the Exchange's System [for execution]to facilitate post-trade workflows. This announcement must take place whether the Floor Broker is representing a single-sided order and soliciting contra-side interest, or the Floor Broker has sufficient interest to match against the agency order already. If a Floor Broker is holding two non-Priority Customer agency orders or two Priority Customer agency orders the Floor Broker will choose which order is the agency order. If only one of the agency orders is for the account of a Priority Customer, that order must be the agency order.

**Interpretations and Policies:**

.01 No change.

.02 Floor Brokers must make reasonable efforts to ascertain whether each order entrusted to them is for the account of a Priority Customer or a broker-dealer. If it is ascertained that the order is for the account of a broker-dealer, the responsible Floor Broker must advise the trading crowd of that fact prior to bidding/offering on behalf of the order or submitting the [order for execution]two-sided executed order into the Exchange's System to facilitate post-trade workflows. The Floor Broker or his employees must make the appropriate notation in their system when it has been determined that the order is for an account of a broker-dealer.

.03 — .04 No change.

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**Rule 2040. Qualified Floor Orders**

(a) After an agency order has been announced to the trading crowd as provided in Rule 2030(e)(2), the Floor Broker must submit the agency order as part of a two-sided order, the [(]Qualified Floor

Order or “QFO”[)], to the Exchange’s System [for execution]to facilitate post-trade workflows. When a Floor Broker submits [a]the QFO [for execution], the [order]QFO will be [executed]validated based on the market conditions when the order is received by the System and in accordance with Exchange Rules. A QFO sent to the System is not [deemed]considered [executed]validated until it is processed by the System. All transactions occurring from the Trading Floor must be processed by the System to facilitate post-trade workflows. Floor Brokers are responsible for handling all orders in accordance with Exchange priority and trade-through rules. QFO functionality will assist the Floor Broker in respecting the Electronic Book, consistent with Exchange priority rules, as described in paragraphs (c) and (d) of this Rule.

(1) – (4) No change.

(5) A QFO will be [rejected]invalidated, and [a reject]an invalidation message will be sent to the Floor Broker, if any of the components are not open for trading.

(6) A Complex QFO (or “cQFO”) will be [rejected]invalidated if any of the components are not open for trading on the Simple Order Book.

(7) No change.

(b) All QFOs must be announced to the trading crowd, as provided in Rule 2030(e)(2), prior to the [QFO]two-sided executed order being submitted to the Exchange’s System to facilitate post-trade workflows. An Options Exchange Official will certify that the Floor Broker adequately announced the QFO to the trading crowd.

(c) **Submission of QFOs.** The Floor Broker must submit the [QFO]two-sided executed order to the Exchange’s System [for]to facilitate post-trade processing as provided in this Rule. The QFO is not [deemed]considered [executed]validated until it is processed by the System. Once the Floor Broker submits the [QFO]two-sided executed order to the System there will be no opportunity for the submitting Floor Broker, or anyone else, to alter the terms of the QFO. After announcing the QFO to the trading crowd, the Floor Broker must submit the [QFO]two-sided executed order to the System without undue delay, provided that the executing Floor Broker allows adequate time for Floor Participants to participate in the transaction as provided in Interpretations and Policies .09 of this Rule.

When a Floor Broker executes a single-leg QFO, the execution price must be equal to or better than the NBBO, subject to the exceptions in Rule 1401(b). Additionally, the QFO may not (1) trade through any equal or better priced Priority Customer bids or offers on the Simple Order Book; or (2) trade through any interest on the Simple Order Book that is priced better than the proposed execution price.

When a Floor Broker executes a [Complex QFO]cQFO, the execution and priority rules for complex orders (including stock-option orders) contained in Rule 518(c)(2) and (c)(3) will [continue to] apply.

(d) **Allocation.** The following describes how the initiating side of a QFO (cQFO) is allocated.

(1) First, the initiating side of the QFO (cQFO) will ~~[match]~~be allocated against any bids or offers on the Simple Order Book (Strategy Book) priced better than the contra-side, provided that an adequate maximum surrender size was provided by the Floor Broker pursuant to paragraph (h) of this Rule. Multiple bids or offers at the same price are ~~[matched]~~allocated based on time priority.

(2) Next, at the same price as the contra-side of the QFO (cQFO), if any contracts (strategies) of the initiating side remain, the initiating side of the QFO (cQFO) will ~~[match]~~be allocated against Priority Customer Orders on the Simple Order Book (Strategy Book), along with any bids or offers of non-Priority Customers ranked ahead of such Priority Customer Orders on the Simple Order Book (Strategy Book), provided that an adequate maximum surrender size was provided by the Floor Broker pursuant to paragraph (h) of this Rule. Multiple bids or offers at the same price are ~~[matched]~~allocated based on time priority.

(3) Last, the remaining balance of the initiating side of the QFO (cQFO), if any, will then be ~~[matched by the System]~~allocated against the contra-side of the QFO (cQFO), regardless of whether the contra-side order submitted by the Floor Broker is ultimately entitled to receive an allocation pursuant to paragraph (i) or (iii) below. If no Floor Participant, other than the executing Floor Broker, is entitled to an allocation, then no further steps are necessary. If, however, Floor Participants are entitled to an allocation, the remaining balance of the initiating side of the QFO (cQFO) will be allocated as described below.

(i) – (iii) No change.

(4) No change.

(e) – (g) No change.

(h) A Floor Broker may, but is not required to, provide a maximum surrender size as an instruction to the System. The maximum surrender size is the number of contracts, if any, of the initiating side of the QFO that the Floor Broker is willing to relinquish to orders and quotes on the Electronic Book that have priority pursuant to Rule 2040(c). If the Floor Broker fails to provide a maximum surrender size, such value shall be deemed to be zero. If the number of contracts on the Electronic Book that have priority over the contra-side order is greater than the maximum surrender size, then the QFO will be ~~[rejected]~~invalidated. If the number of contracts on the Electronic Book that have priority over the contra-side order is less than or equal to the maximum surrender size, the QFO will be valid, however, the initiating side of the QFO will first be allocated against any bids or offers on the Simple Order Book with higher priority over the contra-side of the QFO, and the remaining balance of the initiating side of[, then] the QFO will ~~[execute]~~be allocated against the contra-side of the QFO.

A Floor Broker may, but is not required to, provide a maximum surrender size for ~~[Complex QFOs]~~cQFOs as an instruction to the System. The maximum surrender size is the number of strategies, if any, of the initiating side of the ~~[Complex QFO]~~cQFO that the Floor Broker is willing to relinquish to orders and quotes on the Strategy Book that have priority pursuant to Rule

518(c)(3)(iii). If the Floor Broker fails to provide a maximum surrender size, such value shall be deemed to be zero. If the number of strategies on the Strategy Book that have priority over the contra-side order is greater than the maximum surrender size, then the [Complex QFO]cQFO will be [rejected]invalidated. If the number of strategies on the Strategy Book that have priority over the contra-side order is less than or equal to the maximum surrender size, the cQFO will be valid, however, the initiating side of the cQFO will be allocated against any bids or offers on the Strategy Book with higher priority over the contra-side of the cQFO, and the remaining balance of the initiating side of [, then the Complex QFO]the cQFO will [execute]be allocated against the contra-side of the cQFO.

**(i) Priority on Split-Price Transactions Occurring in Open Outcry.**

(1) – (2) No change.

(3) **Split-Price Priority for [Complex QFOs]cQFOs.** If an order or offer (bid) of a [Complex QFO]cQFO with at least 100 contracts on each leg of the order is represented to the trading crowd, a Floor Participant that buys (sells) 50 or more contracts of each component leg at the permissible ratio of the [Complex QFO]cQFO or offer (bid) at one price that complies with the priority requirements in 2040(c) will have priority over all other orders and quotes to buy (sell) up to the same number of contracts of those remaining from the same order or offer (bid) at the next lower (higher) price.

(i) – (ii) No change.

(4) – (6) No change.

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**Rule 2055. Clerks**

(a) – (e) No change.

(f) **Floor Market Maker Clerks.** A Floor Market Maker Clerk is any on-Floor Clerk employed by or associated with a Floor Market Maker.

(1) No change.

(2) **Conduct on the Trading Floor.** A Floor Market Maker Clerk is permitted to communicate verbal market information (i.e., bid, offer, and size) in response to requests for such information, provided that such information is communicated under the direct supervision of his or her Floor Market Maker employer. A Floor Market Maker Clerk may consummate [electronic] transactions under the express direction of his or her Floor Market Maker employer by matching bids and offers. Such bids and offers and transactions effected under the supervision of a Floor Market Maker are binding as if made by the Floor Market Maker employer.

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