SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106762; File No. SR-SAPPHIRE-2026-36]

Self-Regulatory Organizations; MIAX Sapphire, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Fees and Rebates for Professional Customer Orders for QCC and cQCC Transactions and Establish a Tiered Fee Structure for Away Market Maker Facilitation of Customer QFOs or cQFOs

October 28, 2026.

Pursuant to 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 October 15, 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 amend the MIAX Sapphire Options Exchange Fee Schedule ("Fee Schedule") to: (1) reduce the initiating and contra-side fees applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor; (2) reduce the rebates applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor; and (3) establish a tiered fee structure applicable to Trading Floor transactions where a Member firm directs a paired order to the Trading Floor, the agency side of the paired order is a customer of the

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

2 17 CFR 240.19b-4.

Member firm, and the contra-side origin of the paired order is an Away Market Maker of the same Member firm, depending on certain monthly breakup percentages and minimum sizes (all terms described below).

The text of the proposed rule change is available on the Exchange's website at https://www.miaxglobal.com/markets/us-options/miax-sapphire/rule-filings, and at the Exchange's principal office.

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

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

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

1. Purpose

The Exchange proposes to amend the Fee Schedule to: (1) reduce the initiating and contra-side fees applicable to Professional Customer[3] orders for QCC[4] and cQCC[5] transactions

[3] "Professional Customer" for the purposes of the Fee Schedule shall mean a Public Customer that is not a Priority Customer. See the Definitions section of the Fee Schedule. "Public Customer" means a person that is not a broker or dealer in securities. Id.

[4] A QCC transaction is comprised of an 'initiating order' to buy (sell) at least 1,000 contracts that is identified as being part of a qualified contingent trade, coupled with a contra-side order to sell (buy) an equal number of contracts. See Fee Schedule, Sections 1)a)ii) and 1)c)ii).

[5] A cQCC transaction is comprised of an 'initiating complex order' to buy (sell) where each component is at least 1,000 contracts that is identified as being part of a qualified contingent trade, coupled with a contra-side complex order or orders to sell (buy) an equal number of contracts. The stock handling fee for the stock leg of cQCC transactions is described in Section 1)a)v) of the Fee Schedule for electronic transactions. The stock handling fee for the stock leg of cQCC transactions is described in Section 1)c)vi) of the Fee Schedule for Trading Floor transactions. See Fee Schedule, Sections 1)a)iii) and 1)c)iii).

on the Exchange's Electronic Book[6] and Trading Floor;[7] (2) reduce the rebates applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor; and (3) establish a tiered fee structure applicable to Trading Floor transactions where a Member[8] firm directs a paired QFO[9] or cQFO[10] to the Trading Floor, the agency side of the paired order is a customer of the Member firm, and the contra-side origin of the paired order is an Away Market Maker[11] of the Member firm, depending on certain monthly breakup percentages and minimum sizes.

The Exchange initially filed this proposal on July 31, 2026.[12] On August 17, 2026, the Exchange withdrew SR-SAPPHIRE-2026-31 and refiled this proposed rule change.[13] On October 15, 2026, the Exchange withdrew SR-SAPPHIRE-2026-34 and refiled this proposed rule change.

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6 "Electronic Book" means the Exchange's Simple Order Book and Strategy Book. See the Definitions section of the Fee Schedule and Exchange Rule 100. The "Simple Order Book" is the Exchange's regular electronic book of orders and quotes. See Exchange Rule 100. The "Strategy Book" is the Exchange's electronic book of complex orders. Id.

7 "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 the Definitions section of the Fee Schedule and Exchange Rule 100.

8 See Exchange Rule 100.

9 "Qualified Floor Order" or "QFO" is a two-sided order with an initiating side and a contra-side. QFOs may also be complex orders as defined in Rule 518(a) ("cQFO") with no more than the applicable number of legs as determined by the Exchange and communicated to Participants via Regulatory Circular. See the Definitions section of the Fee Schedule and Exchange Rule 2040.

10 "Complex Qualified Floor Order" or "cQFO" has the meaning ascribed to such term in the Exchange Rules. See the Definitions section of the Fee Schedule and Exchange Rule 2040.

11 "Away Market Maker" for the purposes of the Fee Schedule shall mean a non MIAX Sapphire Market Maker. See the Definitions section of the Fee Schedule.

12 See Securities Exchange Act Release No. 106093 (August 12, 2026), 91 FR 53311 (August 17, 2026) (SR-SAPPHIRE-2026-31).

13 See Securities Exchange Act Release No. 106232 (August 28, 2026), 91 FR 56518 (September 2, 2026) (SR-SAPPHIRE-2026-34).

Proposal to Reduce Initiating and Contra-Side Fees for Professional Customer Orders for QCC and cQCC Transactions

First, the Exchange proposes to amend Sections 1)a)ii)-iii) and 1)c)ii)-iii) of the Fee Schedule to reduce the initiating and contra-side fees applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor. Currently, the Exchange assesses Professional Customers the same initiating and contra-side fee of $0.12 per contract side for QCC and cQCC transactions that occur either on the Exchange's Electronic Book or on the Trading Floor. The Exchange now proposes to reduce this fee such that the Exchange will assess Professional Customers the same initiating and contra-side fee of $0.00 per contract side for QCC and cQCC transactions that occur either on the Exchange's Electronic Book or on the Trading Floor. The purpose of these changes is for business and competitive reasons. The proposed changes will also align the Exchange's fee for such transactions with the similar fee structures in place at other exchanges for both electronic and trading floor QCC (and/or cQCC) transactions for professional customer orders.[14]

Proposal to Reduce Rebates Applicable to Professional Customer Orders for QCC and cQCC Transactions

Next, the Exchange proposes to amend Sections 1)a)ii)-iii) of the Fee Schedule to reduce the rebates applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book. Currently, for EEMs[15] entering Professional Customer orders for

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14 See, e.g., BOX Exchange LLC ("BOX") Fee Schedule, Section IV.D. (assessing professional customers $0.00 per contract for both the agency side and contra-side of QCC transactions); Nasdaq PHLX LLC ("PHLX"), Options 7: Pricing Schedule, Section 4, QCC Transaction Fee (providing that customers and professionals are not assessed a QCC transaction fee and that the QCC transactions fees apply to both electronic and floor QCC orders).

15 "Electronic Exchange Member" or "EEM" means the holder of a Trading Permit who is a Member representing as agent Public Customer Orders or Non-Customer Orders on the Exchange and those non-Market Maker Members conducting proprietary trading. Electronic Exchange Members are deemed "members" under the Exchange Act. See the Definitions section of the Fee Schedule and Exchange Rule 100.

both QCC and cQCC electronic transactions, the Exchange provides EEMs the following rebates: ($0.07) per contract when the contra-side is a Priority Customer;[16] ($0.17) per contract when the contra-side is a Professional Customer; and ($0.25) per contract when the contra-side is all other market participants (i.e., MIAX Sapphire Market Maker,[17] Away Market Maker, Non-Member Broker-Dealer, and Firm). The Exchange now proposes to reduce these rebates. In particular, the Exchange proposes that for EEMs entering Professional Customer orders for both QCC and cQCC electronic transactions, the Exchange will provide EEMs the following rebates: ($0.00) per contract when the contra-side is a Priority Customer; ($0.00) per contract when the contra-side is a Professional Customer; and ($0.17) per contract when the contra-side is all other market participants (i.e., MIAX Sapphire Market Maker, Away Market Maker, Non-Member Broker-Dealer, and Firm).

Next, the Exchange proposes to amend Sections 1)c)ii)-iii) of the Fee Schedule to reduce the rebates applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Trading Floor. Currently, for Floor Brokers[18] entering Professional Customer orders for both QCC and cQCC transactions on the Trading Floor, the Exchange provides Floor Brokers the following rebates: ($0.07) per contract when the contra-side is a Priority Customer or where

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16 "Priority Customer" means 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(s). The number of orders shall be counted in accordance with Interpretation and Policy .01 of Exchange Rule 100. See Exchange Rule 100, including Interpretation and Policy .01, and the Definitions section of the Fee Schedule.

17 "Market Maker" means a Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange and that is vested with the rights and responsibilities specified in Chapter VI of Exchange Rules. See the Definitions section of the Fee Schedule and Exchange Rule 100.

18 "Floor Broker" means 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 the Definitions section of the Fee Schedule and Exchange Rule 2015. "Floor Participant" means Floor Brokers as defined in Rule 2015 and Floor Market Makers as defined in Rule 2105(b). See the Definitions section of the Fee Schedule and Exchange Rule 100.

the Firm met the Firm Fee Cap;[19] ($0.17) per contract when the contra-side is a Professional Customer; and ($0.25) per contract when the contra-side is all other market participants (i.e., Floor Market Maker, Away Market Maker, Broker-Dealer, and Firm), except for Firm origin orders where that Firm met the Firm Fee Cap. The Exchange now proposes to reduce these rebates. In particular, the Exchange proposes that for Floor Brokers entering Professional Customer orders for both QCC and cQCC transactions on the Trading Floor, the Exchange will provide Floor Brokers the following rebates: ($0.00) per contract when the contra-side is a Priority Customer or where the Firm met the Firm Fee Cap; ($0.00) per contract when the contra-side is a Professional Customer; and ($0.17) per contract when the contra-side is all other market participants (i.e., Floor Market Maker, Away Market Maker, Broker-Dealer, and Firm), except for Firm origin orders where that Firm met the Firm Fee Cap.

The purpose of these changes is for business and competitive reasons. The Exchange believes that even with the proposal to remove the rebate payable to an EEM (or Floor Broker) entering a Professional Customer order as part of a QCC or cQCC transaction (electronic or on the Trading Floor) where the contra-side is a Priority Customer or Professional Customer, the Exchange's QCC and cQCC rebates remain competitive with those of other exchanges for Professional Customer orders.[20] The Exchange believes these changes will also align the

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19 See Fee Schedule Section 1)c)vii) for a description of the Firm Fee Cap.

20 See, e.g., NYSE American LLC ("NYSE American") Options Fee Schedule, Section I.F. (providing no fee or rebate for customer and professional customer orders where the contra-side is a customer or professional customer in a QCC transaction and providing a rebate of ($0.12) per contract where a floor broker executes a customer or professional customer order where the contra-side is a market maker, firm or broker dealer in a QCC transaction); NYSE Arca Inc. ("NYSE Arca") Options Fees and Charges, page 7 (providing no fee or rebate for QCC transactions involving all customers and providing a rebate of ($0.16) per contract when a customer order trades against a non-customer).

Exchange's QCC and cQCC rebates with those of other exchanges for Professional Customer orders where the contra-side is a Priority Customer or Professional Customer.[21]

Proposal to Establish a Tiered Fee Structure for Away Market Makers Facilitation of Customer QFOs or cQFOs on the Trading Floor

Next, the Exchange proposes to amend Section 1)c)i) of the Fee Schedule to establish a tiered fee structure applicable to Trading Floor transactions where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency side of the paired order is a customer of the Member firm, and the contra-side origin of the paired order is an Away Market Maker of the Member firm, depending on certain monthly breakup percentages and minimum sizes.

For background, the Exchange assesses fees and applies rebates to both executed sides of the paired QFO or cQFO on the Trading Floor. cQFO fees and rebates are per executed side per leg. Floor Broker rebates are only payable on the Floor Brokers' billable sides. The rebates do not apply to Priority Customer, Professional Customer, Firm/Broker-Dealer Facilitating a Priority Customer or Professional Customer, competing Floor Broker orders, Floor Market Maker (sides) executions, and Firm (sides) executions where the Firm Fee Cap threshold has been met for the relevant Clearing Corporation[22] account in the relevant month. Fees for Floor Market Maker volume executed via a Floor Broker are assessed to the Floor Market Maker. Fees and rebates for Floor Broker volume, other than the executing Floor Broker's own orders, entered on behalf of a competing Floor Broker, are assessed to the competing Floor Broker.

Currently, the Exchange assesses a $0.25 per contract fee for QFO and cQFO transactions in SPY/QQQ/IWM, Penny classes (excluding SPY/QQQ/IWM), and non-Penny classes, for Away Market Maker, Firm, and Broker-Dealer origins. The Exchange does not

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21 Id.

22 The term "Clearing Corporation" means The Options Clearing Corporation. See Exchange Rule 100.

assess a fee (or provide a rebate) for QFO and cQFO transactions in SPY/QQQ/IWM, Penny classes (excluding SPY/QQQ/IWM), and non-Penny classes, for Firm and Broker-Dealer origins that are facilitating a Priority Customer or Professional Customer order.

The Exchange now proposes to establish a new row in the table in Section 1)c)i) of the Fee Schedule that will apply to transactions for Away Market Maker facilitation of customer orders for the same Member firm. The Exchange proposes to specify in third explanatory paragraph below the table of fees in Section 1)c)i) of the Fee Schedule that the rates for Away Market Maker Facilitation will apply to any Trading Floor transaction where a Member firm directs a paired order to the Trading Floor, where the agency order is a customer of the Member firm, and where the contra-side of the transaction is the Away Market Maker of the Member firm. Further, the Away Market Maker firm must notify the Exchange for participation in the Away Market Maker Facilitation program.

The Exchange proposes to establish a new table at the end of the explanatory text in Section 1)c)i) of the Fee Schedule, which will be titled "Away Market Maker Facilitation Breakup Table" (referred to herein as the "Breakup Table"). The Breakup Table[23] will provide the proposed tiered reduced fees (instead of the $0.25 per contract fee that would otherwise apply to an Away Market Maker Floor transaction) for transactions where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency order is a customer of the Member firm,

[23] A breakup of a QFO or cQFO generally refers to the scenario where a paired order is interacted with by a Floor Market Maker. Similarly, using the Away Market Maker facilitation as example, a breakup of a QFO or cQFO refers to the scenario where a paired customer order is facilitated for execution on the Trading Floor with the Away Market Maker being the contra-side of the transaction and having the order interacted with by a Floor Market Maker. For purposes of determining the breakup percentage for the Away Market Maker facilitation, the Exchange proposes to aggregate each month all QFOs with at least 1,000 initiating sides per order, and all cQFOs where the smallest leg is at least 1,000 contracts per order. The Exchange proposes to exclude from the breakup percentage calculation non-eligible QFOs with less than 1,000 initiating sides per order and non-eligible cQFOs where the smallest leg is less than 1,000 contracts per order.

and the contra-side of the transaction is the Away Market Maker of the Member firm, depending on the following breakup percentages: 0 to 5% breakup will be assessed a per contract fee of $0.10; greater than 5% to 15% breakup will be assessed a per contract fee of $0.09; greater than 15% to 25% breakup will be assessed a per contract fee of $0.08; greater than 25% to 35% breakup will be assessed a per contract fee of $0.07; greater than 35% to 40% breakup will be assessed a per contract fee of $0.06; and greater than 40% breakup will be assessed a per contract fee of $0.05.

The Exchange also proposes to add the new note "*" to the Breakup Table and the corresponding note below table, which will provide as follows:

> * These rates only apply to QFO or cQFO orders that are not part of a QCC, cQCC or Strategy transaction. For QFO volume to count towards the calculation to qualify for these rates, the Away Market Maker must facilitate at least 1,000 initiating sides per order. For cQFO volume to count towards the calculation to qualify for these rates, the smallest leg must be at least 1,000 initiating sides per order. The order breakup percentage is calculated on a monthly basis.

The Exchange also proposes to amend the second sentence in the first paragraph of explanatory text below the tables in Section 1)c)i) of the Fee Schedule to specify that Floor Brokers will not be entitled to receive rebates from Away Market Maker Facilitation transactions.

This reduced fee structure is similar in concept to another program offered by the Exchange, where the Exchange assesses a lower fee for a Firm or Broker-Dealer that facilitates a Priority Customer or Professional Customer QFO or cQFO (in that case, $0.00 per contract), and subsequently does not provide a rebate to the executing Floor Broker.[24] In that scenario, similar to the proposed Away Market Maker facilitation, a Firm or Broker-Dealer directs a paired order

[24] See Fee Schedule, Section 1)c)i).

to the Trading Floor, where the agency side is an order for a Priority Customer or Professional Customer of that Firm or Broker-Dealer and the contra-side of the transaction involves the Firm or Broker-Dealer.[25]

The purpose of these changes is for business and competitive reasons. The proposed Breakup Table provides the lower tiered fees that the Away Market Maker may be assessed instead of the fee that would otherwise apply to such Floor transactions, i.e., $0.25 per contract. The Exchange believes that the proposed changes may encourage Members to aggregate liquidity to send paired customer orders to the Trading Floor where the contra-side of the paired order is an affiliate Away Market Maker of the Member and the QFO or cQFO, as applicable, has met the proposed minimum size requirements (i.e., for QFOs, at least 1,000 initiating sides per order and for cQFOs, the smallest leg is at least 1,000 initiating sides per order). The Exchange believes that this may, in turn, increase open outcry participation due to larger size QFOs and cQFOs being brought to the Trading Floor via the Away Market Maker facilitation size requirements, which may promote increased executions on the Trading Floor to the benefit of all Floor Participants that can interact with the larger sized orders.

Market participants sending paired orders with agency and contra-sides to an exchange via an auction/solicitation mechanism or to a broker to execute on a physical trading floor is not a new or novel concept. Further, the paired order may typically originate from affiliates of the same member firm. Additionally, the concept of the paired order (or orders) being broken up by different market participants and causing the fees assessed (or rebates provided) for the agency and contra-sides to change is not new or novel. The Exchange believes its proposal is within the

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[25] See id. (providing, additionally, that for the Broker-Dealer facilitation, the Broker-Dealer and the Priority Customer or Professional Customer both clear through the same clearing firm and the Broker-Dealer clears in the customer range).

bounds of these concepts – for an Away Market Maker Facilitation to apply such that the Away Market Maker receives reduced contra-side fees, the Member firm must direct a paired order to the Trading Floor, the agency side of the paired order must be a customer of the Member firm (i.e., affiliated), and the contra-side of the transaction must be an Away Market Maker of the same Member firm. So long as those parameters are met and the minimum size requirements are achieved, the fees assessed to the Away Market Maker's contra-side orders will be reduced according to the monthly breakup percentages in the proposed Breakup Table.

In keeping with the above concepts, the Exchange's proposal contemplates a Member submitting a paired order to the Exchange's Trading Floor with agency and contra-sides, where the agency side of the paired order is a customer of the Member firm, and the contra-side origin of the paired order is an Away Market Maker of the Member firm (i.e., affiliated to the customer side of the order). The Exchange believes the auction mechanisms (PRIME[26] and cPRIME[27]) in place at the Exchange's affiliate, MIAX,[28] likewise provide for a member firm to submit a paired order to MIAX, where the agency side and contra-side of the transaction are affiliates of the EEM[29] submitting the order into the auction. The Exchange's proposal then provides for the possibility of reduced contra-side fees based on a breakup percentage of the paired orders that meet the requirements for an Away Market Maker facilitation. MIAX's PRIME and cPRIME auctions provide the possibility for EEMs' paired orders to receive altered fees assessed (or rebates provided) to such orders and provide the opportunity for a member to earn higher agency

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26 See, generally, MIAX Rule 515A.

27 See, generally, MIAX Rule 515A, and Interpretation and Policy .12 for a description of the cPRIME auction process.

28 "MIAX" means Miami International Securities Exchange, LLC. See the Definitions section of the Fee Schedule and Exchange Rule 100.

29 See MIAX Rule 100.

rebates and/or breakup rebates instead of the rates that would otherwise apply for non-paired orders. In the same nature for the Trading Floor, the Exchange believes that the Away Market Maker sending a paired and facilitated order to be able to earn discounted fees based on an order (or orders) being broken up are not conceptually different.

The Exchange also believes that the Breakup Table is similar in concept to a table that is currently in place at MIAX, related to agency credits provided to Priority Customer orders entered into MIAX's cPRIME auction. The Exchange notes that there are differences between the proposed Breakup Table and the auction mechanisms discussed above for PRIME and cPRIME on MIAX. Whereas the proposed Breakup Table provides the opportunity for Away Market Makers to earn discounted fees for facilitating customer orders on the MIAX Sapphire Trading Floor based on the monthly percentage breakup of the order that meets the minimum size requirements, MIAX provides its members the opportunity to receive increasing tiered agency credits for cPRIME Agency Orders for Priority Customers dependent upon the breakup percentage of the order, with certain exceptions.[30] Another difference is that the Exchange's proposal contemplates calculating the breakup percentage on a monthly basis for all qualifying orders, PRIME and cPRIME calculate the reduced agency fees or increased breakup credits on an order-by-order basis for orders qualifying for PRIME and cPRIME.

The concept of the proposed Breakup Table to show the applicable fees based on an order (or orders) being broken up is also for clarity purposes. Fees based on order breakup percentage in a table format is similar in concept to ones used by MIAX for PRIME and cPRIME auctions where, in those instances, the agency rebates are dependent on the order breakup, and also

[30] See MIAX Fee Schedule, Section 1)a)iii), cPRIME Agency Order Break-up Table.

similar to the automated improvement mechanism ("AIM")[31] offered by Cboe EDGX Exchange, Inc. ("EDGX"), where the fees are dependent on the order interaction rate.[32]

In addition, the Exchange offers a similar fee program for Firms and Broker-Dealers that facilitate certain customer orders. In particular, the Exchange offers Firms and Broker-Dealers the opportunity to not be assessed a fee when a Firm or Broker-Dealer facilitates a Priority Customer or Professional Customer QFO or cQFO on the Trading Floor.[33]

The proposed changes are immediately effective.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[34] in general, and furthers the objectives of Section 6(b)(5) of the Act,[35] in particular, in that it is not designed to permit unfair discrimination among customers, brokers, or dealers. The Exchange also believes that its proposal is consistent with Section 6(b)(4) of the Act[36] because it represents an equitable allocation of reasonable dues, fees and other charges among its Members or issuers using its facilities.

The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system "has been

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31 See EDGX Rule 21.19.

32 See, generally, EDGX Options Fee Schedule, AIM and SAM Pricing sections.

33 See Fee Schedule, Section 1)c)i).

34 15 U.S.C. 78f(b).

35 15 U.S.C. 78f(b)(5).

36 15 U.S.C. 78f(b)(4).

remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."[37]

There are currently 18 registered options exchanges competing for order flow. Based on publicly-available information, and excluding index-based and singly-listed options, no single exchange had more than approximately 11-12% of the multiply-listed equity options market share for the month of July 2026.[38] Therefore, no exchange possesses significant pricing power. More specifically, the Exchange had a market share of approximately 3.79% of executed volume of multiply-listed equity options for the month of July 2026.[39]

Proposal to Reduce Initiating and Contra-Side Fees for Professional Customer Orders for QCC and cQCC Transactions

The Exchange believes its proposal to reduce the initiating and contra-side fees applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor is reasonable, equitable and not unfairly discriminatory because it may further incentivize Professional Customer orders to be submitted as QCC and cQCC transactions. The Exchange believes that this may, in turn, encourage Members to submit more Professional Customer orders, leading to increased liquidity on the Exchange to the benefit of all market participants by providing more trading opportunities and tighter spreads. The Exchange believes the proposed changes are equitable and not unfairly discriminatory because the reduced fees will apply equally to all market participants who provide Professional Customer orders as part of QCC and cQCC transactions either electronically or via the Exchange's Trading Floor. The Exchange also believes the proposed changes are reasonable because the changes

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37 See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496 (June 29, 2005).

38 See the "Market Share" section of the Exchange's website, available at https://www.miaxglobal.com/ (last visited August 12, 2026).

39 See id.

will align the Exchange's fee for such transactions with the similar fee structures in place at other exchanges for both electronic and trading floor QCC (and/or cQCC) transactions for professional customer orders.[40]

Proposal to Reduce Rebates Applicable to Professional Customer Orders for QCC and cQCC Transactions

The Exchange believes its proposal to reduce the rebates applicable to Professional Customer orders for QCC and cQCC transactions on the Exchange's Electronic Book and Trading Floor is reasonable, equitable and not unfairly discriminatory because the changes are for business and competitive reasons. The Exchange believes that even with the proposal to remove the rebate payable to an EEM (or Floor Broker) entering a Professional Customer order as part of a QCC or cQCC transaction (electronic or on the Trading Floor) where the contra-side is a Priority Customer or Professional Customer, the Exchange's QCC and cQCC rebates remain competitive with those of other exchanges.[41] The Exchange believes these changes are reasonable because they will align the Exchange's QCC and cQCC rebates with those of other exchanges for Professional Customer orders where the contra-side is a Priority Customer or Professional Customer.

Proposal to Establish a Tiered Fee Structure for Trading Floor Transactions for Away Market Makers Facilitation of Customer Orders

The Exchange believes its proposal to establish a tiered fee structure where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency order is a customer of the Member firm, and the contra-side of the transaction is the Away Market Maker of the Member firm, depending on certain breakup percentages and minimum sizes is reasonable, equitable and

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40 See supra note 14.

41 See supra note 20.

not unfairly discriminatory because these changes are for business and competitive reasons. The Exchange believes that the proposed changes may encourage Members to submit more customer orders to the Trading Floor where the contra-side is the Away Market Maker of the Member firm in order to be assessed the lower tiered fees than would otherwise apply to such transactions. The Exchange believes that this may, in turn, increase open outcry participation, which may promote increased executions on the Trading Floor to the benefit of all Floor Participants.

The Exchange believes the proposal to establish a tiered fee structure where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency side of the order is a customer of the Member firm, and the contra-side of the transaction is the Away Market Maker of the Member firm, depending on certain breakup percentages and minimum sizes is equitably allocated and not unfairly discriminatory. The proposed reduced contra-side fees are not automatically applied to all Away Market Maker transactions on the Trading Floor. In order to achieve the reduced contra-side fees, the Member submitting an order for an Away Market Maker Facilitation must satisfy several criteria. First, the Member must submit a paired QFO or cQFO for execution on the Trading Floor. The agency side of the paired order must be a customer of the Member and the contra-side of the transaction must be an Away Market Maker affiliated with that same Member firm. The final criteria are the size requirements – an Away Market Maker must facilitate at least 1,000 initiating sides per order for QFO volume or have the smallest leg of the order be at least 1,000 initiating sides per cQFO volume to count towards the monthly breakup percentage for reduced contra-side fees.

The Exchange believes this proposal is not unfairly discriminatory because it may incentivize QFO and cQFO volume. As discussed above, Members must submit orders with minimum size requirements (i.e., for QFOs, at least 1,000 initiating sides per order and for

cQFOs, the smallest leg is at least 1,000 initiating sides per order), among other requirements, in order to have those orders counted towards the monthly breakup percentage and corresponding reduced contra-side fees. The Exchange believes that the set minimum size requirement contemplates Members submitting larger sized paired orders which may, in turn, increase open outcry participation to interact with that order flow. A higher rate of interactions should promote increased executions on the Trading Floor to the benefit of all Floor Participants by providing more trading opportunities and tighter spreads. To the extent QFO and cQFO volume increases by the proposal, market participants may increasingly compete for the opportunity to trade on the Trading Floor by responding to such larger sized orders. Accordingly, the Exchange believes it is equitable and not unfairly discriminatory to offer Away Market Makers the reduced contra-side fees contained in the proposed Breakup Table.

The concept of charging different fees based on origin for paired orders, like in auctions or facilitations as on the Trading Floor, is not new or novel. In particular, the contra fees assessed by EDGX to members who submit paired orders into the EDGX AIM (and SAM[42]) mechanisms vary based on the contra origin.[43] Further, EDGX members submitting paired orders in the EDGX AIM mechanism can receive better economics for the trade based on order interaction percentages, just like the Exchange proposes for Away Market Maker facilitations where orders are broken up based on a monthly percentage.

The Exchange believes this proposal is equitably allocated and not unfairly discriminatory because it is open to all Members that submit paired QFOs or cQFOs where the contra-side is an Away Market Maker of that Member firm, so long as the minimum size

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42 See EDGX Rule 21.21.

43 See EDGX Options Fee Schedule, AIM and SAM Pricing section (assessing contra fees ranging from free to $0.18 per contract based on origin).

threshold is met. The Exchange believes the proposal to offer tiered reduced fees applicable to qualifying Away Market Maker transactions is equitable and not unfairly discriminatory because all Away Market Makers are eligible for the reduced fees each month so long as they facilitate qualifying customer QFO or cQFO volume to the Floor and take the contra-side of the transaction.

The Exchange believes this proposed change is reasonable because it is based on similar concepts regarding paired orders being facilitated or submitted for execution that are already in place at the Exchange, its affiliate MIAX, as well as other equity options exchanges. The Exchange's proposal contemplates a Member submitting a paired order to the Exchange's Trading Floor with agency and contra-sides, where the agency side of the paired order is a customer of the Member firm, and the contra-side origin of the paired order is an Away Market Maker of the Member firm (i.e., affiliated to the customer side of the order). The Exchange believes the auction mechanisms (PRIME and cPRIME) in place at the Exchange's affiliate, MIAX, likewise provide for a member firm to submit a paired order to MIAX, where the agency side and contra-side of the transaction are affiliates of the EEM submitting the order into the auction. The Exchange's proposal then provides for the possibility of reduced contra-side fees based on a breakup percentage of the paired orders that meet the requirements for an Away Market Maker facilitation. MIAX's PRIME and cPRIME auctions provide the possibility for EEMs' paired orders to receive altered fees assessed (or rebates provided) to such orders and provide the opportunity for a member to earn higher agency rebates and/or breakup rebates instead of the rates that would otherwise apply for non-paired orders. In the same nature for the Trading Floor, the Exchange believes that the Away Market Maker sending a paired and

facilitated order to be able to earn discounted fees based on an order (or orders) being broken up are not conceptually different.

In addition, the Exchange believes that the proposal, which applies only to Away Market Makers facilitating eligible customer trades of certain sizes executed on the Trading Floor, is not unfairly discriminatory to other market participants because its purpose is to attract large order flow to the Trading Floor, where such orders can be better handled in comparison with electronic orders that are not negotiable. To the extent that this purpose is achieved, all of the Exchange's Floor Participants should benefit from the improved market liquidity, particularly as the Trading Floor continues to ramp up operations since its launch in September 2025.

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

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

Inter-Market Competition

The proposed changes do not impose an undue burden on inter-market competition. The Exchange believes the proposed changes to reduce the fees and rebates applicable to initiating and contra-side Professional Customer orders entered as part of a QCC or cQCC transaction do not impose any burden on inter-market competition because other exchanges have similar fee structures for similar transactions.[44] The Exchange believes the proposed changes to establish a tiered fee structure where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency order is a customer of the Member firm, and the contra-side of the transaction is the Away Market Maker of the Member firm, depending on certain breakup percentages and

[44] See supra notes 14 and 20.

minimum sizes does not impose any burden on inter-market competition because other exchanges that offer trading floors can offer similar incentives to their market participants.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

The Exchange believes that the proposed changes reflect this competitive environment because the changes modify the Exchange's fees and rebates in a manner designed to continue to incent participants to direct trading interest to the Exchange (both electronically and on the Trading Floor), to provide liquidity and to attract additional order flow. To the extent that Away Market Makers are encouraged to facilitate more Priority Customer and Professional Customer QFOs and cQFOs, all Exchange market participants stand to benefit from the improved market quality and increased opportunities for price improvement. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

Intra-Market Competition

In accordance with Section 6(b)(8) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, as discussed above, the Exchange believes that the proposed changes would encourage the submission of additional QCC and

cQCC liquidity from Professional Customers (both electronically and on the Trading Floor), thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for all market participants. As a result, the Exchange believes that the proposed changes further the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders.

The proposed change to establish a tiered fee structure where a Member firm directs a paired QFO or cQFO to the Trading Floor, the agency order is a customer of the Member firm, and the contra-side of the transaction is the Away Market Maker of the Member firm, depending on certain breakup percentages and minimum sizes is designed to attract additional customer order flow to the Trading Floor. Greater liquidity benefits all market participants on the Exchange and increased order flow would increase opportunities for execution of other trading interest.

The Exchange believes the proposal to offer tiered reduced fees applicable to qualifying Away Market Maker transactions does not impose any burden on intra-market competition because all Away Market Makers are eligible for the reduced fees each month so long as they facilitate qualifying customer QFO or cQFO volume to the Floor and take the contra-side of the transaction.

The Exchange believes this proposed change does not place any burden on intra-market competition that is not necessary or appropriate in furtherance of the purposes of the Act because it is based on similar concepts regarding paired orders being facilitated or submitted for execution that are already in place at the Exchange, its affiliate MIAX, as well as other equity options exchanges. The Exchange's proposal contemplates a Member submitting a paired order to the Exchange's Trading Floor with agency and contra-sides, where the agency side of the

paired order is a customer of the Member firm, and the contra-side origin of the paired order is an Away Market Maker of the Member firm (i.e., affiliated to the customer side of the order). The Exchange believes the auction mechanisms (PRIME and cPRIME) in place at the Exchange's affiliate, MIAX, likewise provide for a member firm to submit a paired order to MIAX, where the agency side and contra-side of the transaction are affiliates of the EEM submitting the order into the auction. The Exchange's proposal then provides for the possibility of reduced contra-side fees based on a breakup percentage of the paired orders that meet the requirements for an Away Market Maker facilitation. MIAX's PRIME and cPRIME auctions provide the possibility for EEMs' paired orders to receive altered fees assessed (or rebates provided) to such orders and provide the opportunity for a member to earn higher agency rebates and/or breakup rebates instead of the rates that would otherwise apply for non-paired orders. In the same nature for the Trading Floor, the Exchange believes that the Away Market Maker sending a paired and facilitated order to be able to earn discounted fees based on an order (or orders) being broken up are not conceptually different. In addition, the Exchange believes that the proposal, which applies only to Away Market Makers facilitating customer trades of certain sizes executed on the Trading Floor, may enhance competition by attracting large order flow to the Trading Floor, where such orders can be better handled in comparison with electronic orders that are not negotiable. To the extent that this purpose is achieved, all of the Exchange's Floor Participants should benefit from the improved market liquidity, particularly as the Trading Floor continues to ramp up operations since its launch in September 2025.

C. 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.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,[45] and Rule 19b-4(f)(2)[46] thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include file number SR-SAPPHIRE-2026-36 on the subject line.

Paper Comments:

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

45 15 U.S.C. 78s(b)(3)(A)(ii).

46 17 CFR 240.19b-4(f)(2).

All submissions should refer to file number SR-SAPPHIRE-2026-36. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-SAPPHIRE-2026-36 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.[47]

Sherry R. Haywood,

Assistant Secretary.

[47] 17 CFR 200.30-3(a)(12).