

MIAX Emerald Options Exchange Quote Requirement Summary

MIAX Rule 503(e)(1-5) Openings on the Exchange

- Live Quote Window – starts at 9:15, quotes during this time are official MIAX quotes.
- Option opening with one of the following:
 - Valid width quote (VWQ) from the PLMM.
 - VWQ from one LMM and one VWQ from another MIAX Market Maker.
 - VWQ from away exchange NBBO and one LMM.
 - After two minutes without VWQ – one MIAX Market Maker enters a VWQ.

MIAX Rule 406 Long Term Options

- Bid/ask differential (Rule 603(b)(4)) and continuous quoting (Rule 604(e)(2) and (3)) rules shall not apply to such options series until the time to expiration is less than nine (9) months.
- Opening width for option series with the time to expiration nine (9) months or greater (LTO) have a two times (2X) maximum width. LMMs and RMMs are exempt from LTO quoting.

MIAX Rule 603 Obligations of Market Makers

- Pre-opening VWQ is \leq \$5
- After option opens – VWQ is \leq \$5
- For options in-the-money options where the underlying security's bid/ask differential on the primary market is wider than the differentials set forth above, the bid/ask differential may be as wide as the quotation on the primary market of the underlying security.
 - In the Money is calculated using the underlying stock bid price for puts and the underlying ask price for calls. If the call strike price is below the underlying ask price or last sale price (whichever is higher) the option is in the money. If the put strike price is above the underlying bid price or last sale price (whichever is lower) the option is in the money.

MIAX Rule 503(e)(5)

- PLMM Quoting Requirements
 - PLMMs assigned in a particular class must enter a valid width quote within one minute following the dissemination of a quote or trade by the primary market for the underlying security.

MIAX Rule 604 Market Maker Quotations

- PLMM Quoting Requirements.
 - Must quote Long Term Options (LTO).
 - Must quote quarterly options.
 - No opening quote requirement. – except PLMM One Minute valid width
 - No adjusted option requirement.

- No intraday add quote requirement.
 - Must quote the lesser of 99% of available series or 100% of series minus one call/put pair for 90% of trade day.
 - Call/put pair definition – same underlying, same expiration date, same strike.
 - Quoting obligations will apply daily to all appointed classes collectively for each PLMM, rather than on a class-by-class basis per day.
 - Compliance with this obligation will be determined on a monthly basis.
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- LMM Quoting Requirements
 - Must quote quarterly options.
 - No LTO requirement.
 - No opening quote requirement.
 - No adjusted option requirement.
 - No intraday add quote requirement.
 - Must quote a minimum of 90% of available series for 90% of trade day.
 - Quoting obligations will apply daily to all appointed classes collectively for each LMM, rather than on a class-by-class basis per day.
 - Compliance with this obligation will be determined on a monthly basis.
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- RMM Quoting Requirements
 - No LTO requirement.
 - No opening quote requirement.
 - No adjusted option requirement.
 - No intraday add quote requirement.
 - Must quote a minimum of 60% of available series for 90% of trade day.
 - Quoting obligations will apply daily to all appointed classes collectively for each RMM, rather than on a class-by-class basis per day.
 - No Quarterly Option quote requirement.
 - Compliance with this obligation will be determined on a monthly basis.

Quote Standards

Minimum standard quote size is 1 contract

- eQuote minimum size is 1 for all issues.
- Mini option standard quote is 1 for all MIAX traded issues (minimum eQuote size for mini options is 1).

Quote Width Exemptions

- Free Trade Quote Spread
 - See <https://www.miaxoptions.com/market-maker-requirements/emerald>

- Opening Quote Spread
 - See <https://www.miaxoptions.com/market-maker-requirements/emerald>

MIAX Rule 605 Market Maker Orders

Lead Market Makers

- The total number of contracts executed during a quarter by a Lead Market Maker (including those Lead Market Makers appointed as Primary Lead Market Makers) in options classes to which it is not appointed may not exceed ten percent (10%) of the total number of contracts traced by such Lead Market Maker in classes to which it is appointed and with respect to which it was quoting pursuant to Rule 604(e)(1).

Registered Market Makers

- The total number of contracts executed during a quarter by a Registered Market Maker in options classes to which it is not appointed may not exceed twenty-five percent (25%) of the total number of contracts traded by such Registered Market Maker in classes to which it is appointed and with respect to which it was quoting pursuant to Rule 604(e) in any calendar quarter.