



**DATE:** March 30, 2017

**TO:** MIAX Options Members

**FROM:** MIAX Options Regulatory Department

**RE:** MIAX Options Price Protection Process Improvements

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The purpose of this Regulatory Circular is to inform MIAX Options Members (“Members”) of a proposal to amend Exchange Rule 515, Execution of Quotes and Orders ([SR-MIAX-2017-12](#)), regarding the MIAX Options price protection process, which will become effective on Monday, April 3, 2017.

The proposal makes a number of enhancements to the MIAX Options price protection process. In particular, the proposal: (i) eliminates a Member’s ability to disable the price protection process, (ii) refines the settings associated with the price protection process by establishing a range of valid MPV values that the Member may select from (0-20) and establishes a separate range that the Exchange may use as a default should a Member fail to provide value, (1-5), which will initially be set to one (1) MPV with any change announced to Members via Regulatory Circular, (iii) proposes a new behavior of the price protection process to remove certain orders immediately following the commencement of a trading halt and at the end of each trading session, and (iv) eliminates the establishment of a price protection limit for orders received (A) prior to the open or during a trading halt, and (B) during a prior trading session that remain on the Book at the conclusion of the opening process.

The proposed changes to the price protection process will result in orders being removed from the Book after a trading halt and at the end of each trading session if the order has a price protection limit that is less aggressive than the order’s effective limit price. Therefore, the Exchange notes that Members carrying GTC orders should remain connected to the Exchange’s System until 4:25 P.M. ET to ensure that the Member receives all messages related to its orders.

For questions regarding the MIAX Options Price Protection process contact Trading Operations at [TradingOperations@MIAXOptions.com](mailto:TradingOperations@MIAXOptions.com) or (609) 897-7302.

Please direct any questions to the Regulatory Department at [Regulatory@MIAXOptions.com](mailto:Regulatory@MIAXOptions.com) or (609) 897-7309.