



**DATE:** March 24, 2020

**TO:** MIAX Options Members

**FROM:** MIAX Options Regulatory Department

**RE:** Enhanced Opening Process

This Regulatory Circular is to inform MIAX Options Members of a change to the Exchange's opening process, which will be implemented on Monday, March 30, 2020.

The Exchange has amended Exchange Rule 503, Openings on the Exchange, to incorporate a Composite Market into the Exchange's opening process. The Composite Market will be used during the opening process to determine whether-or-not to open a series for trading. The Exchange believes it is appropriate to consider any quotes from away markets in addition to quotes on its own market when determining whether to open a series, because consideration of all then-available pricing information may provide for more accurate opening prices.

To implement a Composite Market the Exchange has amended Rule 100 to adopt a new definition for Composite Market that will mean, "the market for a series comprised of (1) the higher of the then-current best appointed Market Maker bid quote on the Exchange and the ABB (if there is an ABB) and (2) the lower of the then-current best appointed Market Maker offer quote on the Exchange and the ABO (if there is an ABO). The term "Composite Bid (Offer)" means the bid (offer) used to determine the Composite Market." The Exchange has also adopted a new definition for Composite Width that will mean, "the width of the Composite Market (i.e., the width between the Composite Bid and the Composite Offer) of a series." Finally, the Exchange has adopted a new definition for Maximum Composite Width, that will mean, the amount that the Composite Width of a series may generally not be greater than for the series to open. The default Maximum Composite Widths for all classes are as follows (based on the Composite Bid for a series):

Low end of range (bid)	High end of range (bid)	Maximum Composite Width
\$0.00	\$1.99	\$5.00
\$2.00	\$5.00	\$5.00
\$5.01	\$10.00	\$5.00
\$10.01	\$20.00	\$5.00
\$20.01	+	\$5.00

The Exchange may modify these amounts when it deems necessary to maintain a fair and orderly opening process (which modifications the Exchange will announce to Members via Regulatory Circular).



The Maximum Composite Width corresponds to the opening valid width range currently used by the Exchange.

Complete details regarding this change can be found in the Exchange's rule filing, [SR-MIAX-2020-04](#).

Please contact MIAX Trading Operations at [TradingOperations@MIAXOptions.com](mailto:TradingOperations@MIAXOptions.com) or (609) 897-7302 with any questions about the opening process.

Regulatory inquiries should be directed to [Regulatory@miaxoptions.com](mailto:Regulatory@miaxoptions.com) or (609) 897-7309.