



DATE: March 8, 2018

TO: MIAX PEARL Members

FROM: MIAX PEARL Regulatory Department

RE: Amendment to Exchange Rule 402, Criteria for Underlying Securities, to Modify the Criteria for Listing Options on an Underlying Security

This Regulatory Circular is to inform MIAX PEARL Members that a proposed rule change to amend Exchange Rule 402, Criteria for Underlying Securities, to modify the criteria for listing options on an underlying security, became effective as of Thursday, February 22, 2018, pursuant to a notice issued by the Securities and Exchange Commission (“SEC”).

The Exchange has modified Rule 402(b)(5)(i) to permit the listing of an option on an underlying covered security that has a market price of at least \$3.00 per share for the previous **three** consecutive business days preceding the date on which the Exchange submits a certificate to the Options Clearing Corporation (“OCC”) for listing and trading. Currently the underlying covered security must have a closing market price of \$3.00 per share for the previous **five** consecutive business days preceding the date on which the Exchange submits a listing certificate to OCC. The amendment enables options trading within four business days of an IPO becoming available, instead of six business days.

MIAX PEARL urges all MIAX PEARL Members to review this change in its entirety, which can be found in the proposed rule filing, [SR-PEARL-2018-04](#).

Regulatory inquiries should be directed to Regulatory@MIAOptions.com or (609) 897-7309.