



DATE: March 23, 2018

TO: MIAX PEARL Members

FROM: MIAX PEARL Regulatory Department

RE: Amendment to Exchange Rules 307, Position Limits, and 309, Exercise Limits, to Increase Position and Exercise Limits for Options on Certain ETFs

This Regulatory Circular is to inform MIAX PEARL Members that a proposed rule change to amend Exchange Rules 307, Position Limits, and 309, Exercise Limits, became effective as of Thursday, March 8, 2018, pursuant to a notice recently issued by the Securities and Exchange Commission ("SEC").

MIAX Options Rules 307 and 309, as amended, are incorporated by reference into the MIAX PEARL Rule Book, and thus are MIAX PEARL Rules applicable to MIAX PEARL Members. MIAX PEARL Members are required to comply with MIAX Options Rules 307 and 309, as amended, as though such rules were fully-set forth in the MIAX PEARL Rule Book.

The rule change increases the position and exercise limits for options on the following exchange traded funds ("ETFs"): iShares China Large-Cap ETF ("FXI"), iShares MSCI Emerging Markets ETF ("EEM"), iShares Russell 2000 ETF ("IWM"), iShares MSCI EAFE ETF ("EFA"), iShares MSCI Brazil Capped ETF ("EWZ"), iShares 20+ Year Treasury Bond Fund ETF ("TLT"), PowerShares QQQ Trust ("QQQ"), and iShares MSCI Japan ETF ("EWJ"), as follows:

- FXI limits have been increased from 250,000 contracts to 500,000 contracts;
- EEM limits have been increased from 500,000 contracts to 1,000,000 contracts;
- IWM limits have been increased from 500,000 contracts to 1,000,000 contracts;
- EFA limits have been increased from 250,000 contracts to 500,000 contracts;
- EWZ limits have been increased from 250,000 contracts to 500,000 contracts;
- TLT limits have been increased from 250,000 contracts to 500,000 contracts;
- QQQ limits have been increased from 900,000 contracts to 1,800,000 contracts;
- EWJ limits have been increased from 500,000 contracts to 1,000,000 contracts.

MIAX PEARL urges all MIAX PEARL Members to review this change in its entirety, which can be found in the proposed rule filing, [SR-MIAX-2018-10](#).

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