



DATE: September 27, 2018

TO: MIAX PEARL Member

FROM: Member Services

RE: Securities Industry Essentials Examination

MIAX PEARL (“MIAX PEARL”), in tandem with other Exchanges, has filed with the Securities and Exchange Commission (“SEC”) a proposed rule change to require all new representative-level applicants to successfully pass a basic knowledge examination to be called the Securities Industry Essentials Examination (“SIE”). This introductory-level exam assesses an applicant’s understanding of basic securities industry information covering a broad range of industry-related topics, such as types of products and their risks, the structure and function of the securities industry, their regulatory agencies and their functions, and regulated and prohibited practices.

The new SIE examination was developed in consultation with a committee of industry representatives and representatives of several self-regulatory organizations (“SRO”). The restructured program eliminates duplicative testing of general securities knowledge on the current representative-level qualification examinations by moving such content into the SIE exam.

Individuals are not required to be associated with the MIAX PEARL Exchange or a member firm to be eligible to take the SIE examination; however, passing the SIE examination does not automatically qualify an individual for registration with MIAX PEARL or to engage in securities business. In order to become registered, individuals must be associated with a member firm and also pass an appropriate qualifying examination administered by FINRA to demonstrate their proficiency in the particular securities activities in which they will function as a securities professional.

Qualification exams cover a comprehensive range of subjects on the markets, and the securities industry and its regulatory structure. This includes knowledge of FINRA rules and also the rules of other SROs.

Individuals who are in good standing as representatives with the Financial Conduct Authority in the United Kingdom or with a Canadian stock exchange are exempt from the requirement to pass the SIE examination and required only to pass a specialized qualification examination in order to register with the Exchange as a representative.

Subject to regulatory review and in accordance with FINRA’s restructuring of the representative-level qualification examination, effective October 1, 2018, new applicants seeking to register in a representative function (ex. General Securities Representative or Securities Trader) must pass the SIE examination before their registrations can become effective. Individuals who are registered as of October 1, 2018 are eligible to maintain their registrations without being subject to any additional examination requirements.



Please be advised that MIAX Options has concurrently filed SR-MIAX-2018-26 with the SEC to implement the above-described proposed rule change, including proposed amendments to MIAX Options Rules 1301 and 1302. Upon approval, the amended MIAX Options Rules 1301 and 1302 shall be incorporated by reference into the MIAX PEARL Rule Book, and thus shall be MIAX PEARL Rules applicable to MIAX PEARL Members. MIAX PEARL will inform its members upon approval of the proposed amendments to Rules 1301 and 1302.

Please see rule filings:

SR-PEARL-2018-20 https://www.miaxoptions.com/sites/default/files/filing-files/SR_PEARL_2018_20.pdf

SR-MIAX-2018-26 https://www.miaxoptions.com/sites/default/files/filing-files/SR_MIAX_2018_26.pdf

For additional information: <http://www.finra.org/industry/notices/17-30> and
<http://www.finra.org/industry/exam-restructuring>.

Any inquiries regarding this notice may be directed to John Cunningham, Member Services at memberservices@miami-holdings.com or (609) 897-1479.