



MIAX Regulatory Circular
2014-39

DATE: June 13, 2014

TO: MIAX Members

FROM: MIAX Regulatory Department

RE: Changes to the Opening Process – Available Beginning June 16, 2014

MIAX recently amended MIAX Rule 503 (Openings on the Exchange) to change the definition of a valid width NBBO and valid width quote to correspond to the standard bid-ask differential specified under MIAX Rule 603(b)(4)(i).¹ This rule change allows for the Exchange System to start the Opening Process based on the bid-ask differentials specified in MIAX Rule 603(b)(4)(i), which are wider than the bid-ask differential of MIAX Rule 603(b)(4)(ii). MIAX Rule 603(b)(4)(i) provides that options, following the opening rotation, may be quoted with a difference not to exceed \$5 between the bid and offer regardless of the price of the bid. The change to MIAX Rule 503 therefore aligns the requirements to open the unopened series on a quote with the existing Market Maker quoting requirements following the opening rotation.

In addition, the rule filing removes the narrow-width quote standard described in MIAX Rule 603(b)(4)(ii) and made technical changes to MIAX Rule 521 (Obvious and Catastrophic Errors).

The Exchange will implement these changes beginning June 16, 2014.

Please direct any questions to Shelly Brown at sbrown@miaxoptions.com or at (609)-897-7317.

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

¹ See Securities Exchange Act Release No. 72228 (May 22, 2014), 79 FR 30908 (May 29, 2014) (SR-MIAX-2014-18).