

DATE: November 26, 2014

TO: MIAX Members

FROM: MIAX Regulatory Department

RE: Posted Liquidity Marketing Fee and Non-MIAX Market Maker Transaction Fee

The Exchange filed for immediate effectiveness two filings to amend the MIAX Options Fee Schedule: (i) to assess an additional \$0.12 per contract Posted Liquidity Marketing Fee to all Market Makers for any standard options overlying SPY that Market Makers execute in their assigned class (i.e., SPY) when the contra-party to the execution is a Priority Customer and the Priority Customer order was posted on the Book at the time of the execution; (ii) to increase the transaction fee for options overlying SPY executed by non-MIAX Market Makers; and (iii) to provide an additional incentive for achieving certain Priority Customer Rebate Program volume tiers.

1. Posted Liquidity Marketing Fee. In SR-MIAX-2014-59, the Exchange filed for immediate effectiveness to amend the Marketing Fee to assess an additional \$0.12 per contract Posted Liquidity Marketing Fee to all Market Makers for any standard options overlying SPY that Market Makers execute in their assigned class (i.e., SPY) when the contra-party to the execution is a Priority Customer and the Priority Customer order was posted on the Book at the time of the execution.

MIAX will not assess the additional Posted Liquidity Marketing Fee to Market Makers for contracts executed as a PRIME Agency Order, Contra-side Order, or a PRIME AOC Response in the PRIME Auction. MIAX will also not assess the additional Posted Liquidity Marketing Fee to Market Makers for contracts executed pursuant to a Liquidity Refresh Pause, route timer, or during the Opening Process. The Post Liquidity Marketing Fee will be in addition to the current Marketing Fee of \$0.25 per contract for standard options overlying SPY that Market Makers execute in their assigned class when the contra-party to the execution is a Priority Customer.

2. Transaction Fees. In SR-MIAX-2014-60, the Exchange filed for immediate effectiveness to increase the transaction fees for Non-MIAX Market Makers to \$0.55 per contract for standard options overlying SPY.
3. Incentives for Priority Customer Order Flow. In SR-MIAX-2014-60, the Exchange filed for immediate effectiveness to provide for additional incentives for achieving certain Priority Customer Rebate Program volume tiers. Non-MIAX Market Makers may reduce



transaction fees by \$0.02 per contract in standard options if the Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, qualifies in a given month for Priority Customer Rebate Program volume tiers 3, 4, or 5 in the Fee Schedule.

The changes to the Marketing Fee take effect on December 1, 2014.

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

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