

**DATE:** August 12, 2015

**TO:** MIAX Members

**FROM:** MIAX Regulatory Department

**RE:** New Exchange Rule Enhanced Risk Protections for MIAX Market Makers  
Aggregate Risk Manager (“ARM”) SR-MIAX-2015-44

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MIAX has filed to amend Rule 612, Aggregate Risk Manager (“ARM2”) to provide Enhanced ARM Protections for Exchange Market Makers. Under the new rule, Market Makers may determine to engage either or both of the following Enhanced ARM Protections in the System: the Class Protection feature and the Market Maker Firm Protection feature. The Class Protection feature and the Market Maker Firm Protection feature count the number of times that the standard ARM functionality is triggered in option classes in which a Market Maker is appointed.

The Class Protection feature will remove the Market Maker’s quotations from the Exchange’s disseminated quotation in an option class when a number of contracts (determined by the Market Maker) has been executed in an option class (standard ARM Protection) a specified number of times within a specified time period (each as determined by the Market Maker). The Market Maker’s quotations in the affected option class will be removed from the Exchange’s disseminated market until the Market Maker instructs the Exchange to reset the Class Protection feature.

The Market Maker Firm Protection feature will remove the Market Maker’s quotations from the Exchange’s disseminated quotation in all of the Market Maker’s appointed option classes when a number of contracts (determined by the Market Maker) has been executed in a specified number of times in the Market Maker’s appointed option classes within a specified time period (each as determined by the Market Maker for standard ARM Protection), until the Market Maker instructs the Exchange to reset the Market Maker Protection feature. The new ARM2 Protections will be available as of September 1, 2015.

For further information on the Enhanced Risk Protections please contact MIAX Trading Operations at [TradingOperations@MIAXOptions.com](mailto:TradingOperations@MIAXOptions.com).

Please direct any questions to Shelly Brown at [SBrown@MIAXOptions.com](mailto:SBrown@MIAXOptions.com) or (609) 897-7317.

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