



DATE: October 21, 2016

TO: MIAX Members

FROM: MIAX Regulatory Department

RE: MIAX Rule 519A, MIAX Risk Protection Monitor
Multiple Settings
Mandatory Participation
[SR-MIAX-2016-39](#)

MIAX has filed for immediate effectiveness with the Securities and Exchange Commission to clarify that Members may establish multiple RPM Settings, and to mandate the use of the Risk Protection Monitor (RPM) by Members.

Multiple Settings

Amended Rule 519A(a), Voluntary Participation, will now specifically state that the Risk Protection Monitor maintains one or more Member-configurable Allowable Order Rate settings and Allowable Contract Execution Rate settings (collectively, "Risk Protection Monitor settings").

Mandatory Use of the Risk Monitor Mechanism

New Rule 519A(b), Mandatory Participation, states that Members must establish at least one Allowable Order Rate setting and at least one Allowable Contract Execution Rate setting (each with a "Corresponding Specified Time Period" established by the Exchange which may not be less than one second, and may not exceed ten seconds). The RPM, when triggered under the mandatory provision, will either (as determined by the Member) (A) prevent the System from receiving any new orders in all series in all classes from the Member; or (B) prevent the System from receiving any new orders in all series in all classes from the Member and cancel all existing orders with a time-in-force of Day in all series in all classes from the Member.

Reasonable Settings

New Interpretations and Policies .06 to Rule 519A, states that a Member's required Allowable Order Rate settings and Allowable Contract Execution Rate settings must be reasonably related to such Member's own internal risk management program.

The new rules will become effective **November 7, 2016**.

For additional information please contact TradingOperations@MIAXOptions.com or call (609) 897-7302.

Please direct regulatory questions to Regulatory@MIAXOptions.com or call (609) 897-7309.