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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No.* SR - 2021 - * 14

Amendment No. (req. for Amendments *)

Filing by   MIAX Emerald, LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☑	☐	☐	☐	☑	☐

Rule

Pilot	Extension of Time Period for Commission Action *	Date Expires *	
☐	☐		19b-4(f)(1) ☐ 19b-4(f)(4) ☐
			19b-4(f)(2) ☐ 19b-4(f)(5) ☐
			19b-4(f)(3) ☐ 19b-4(f)(6) ☑

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *   ☐

Section 806(e)(2) *   ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *   ☐

Exhibit 2 Sent As Paper Document   ▣

Exhibit 3 Sent As Paper Document   ▣

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Amend Exchange Rules to Remove the FOK Order Type and FOK eQuotes.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Gregory   Last Name * Ziegler

Title * Senior Counsel

E-mail * gziegler@miaxoptions.com

Telephone * (609) 897-1483   Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 04/19/2021

By Gregory P. Ziegler

Senior Counsel

(Name *)

gziegler@miami-holdings.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

Add   Remove   View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add   Remove   View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

Add   Remove   View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document
☐

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document
☐

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add   Remove   View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add   Remove   View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1.   **Text of the Proposed Rule Change**

(a) MIAX Emerald, LLC ("MIAX Emerald" or the "Exchange"), pursuant to the

provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4

thereunder,[2] proposes to amend Exchange Rule 515, Execution of Orders and Quotes; Rule 516,

Order Types Defined; Rule 517 Quote Types Defined; Rule 605, Market Maker Orders; and

Rule 612 Aggregate Risk Manager to eliminate Fill-or-Kill (FOK) Orders and FOK eQuotes

from the rulebook and to delete references to same.

Notice of the proposed rule change for publication in the Federal Register is attached

hereto as Exhibit 1, and the text of the proposed rule change is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2.   **Procedures of the Self-Regulatory Organization**

The proposed rule change was approved by the Chief Executive Officer of the Exchange

or his designee pursuant to authority delegated by the MIAX Emerald Board of Directors on

January 28, 2021. Exchange staff will advise the Board of Directors of any action taken pursuant

to delegated authority.

Questions and comments on the proposed rule change may be directed to Gregory P.

Ziegler, Vice President and Senior Counsel, at (609) 897-1483.

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[1]   15 U.S.C. 78s(b)(1).

[2]   17 CFR 240.19b-4.

3.   Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

   a.   Purpose

The Exchange proposes to amend its rules to eliminate Fill-or-Kill Orders and Fill-or-Kill eQuotes. A Fill-or-Kill ("FOK") Order is described by the Exchange as a limit order that is to be executed in its entirety at a single price as soon as it is received and, if not so executed is cancelled.[3] A Fill-or-Kill ("FOK") eQuote is described by the Exchange as an eQuote submitted by a Market Maker[4] that must be matched with another quote or order for an execution in its entirety at a single price upon receipt into the System[5] or will be immediately cancelled.[6]

Specifically, the Exchange now proposes to amend paragraph (c)(1) of Exchange Rule 515 to remove the reference regarding Fill-or-Kill Orders. The Exchange proposes to remove the text in paragraph (f) in its entirety, but to leave paragraph (f) in place and mark it as reserved for future use. The Exchange proposes to remove subparagraph (2) of paragraph (b) of Exchange Rule 516 in its entirety, and to renumber current subparagraph (3) to new subparagraph (2). The Exchange proposes to remove subparagraph (iv) of paragraph (a)(2) from Rule 517 in its entirety, and to renumber current subparagraph (v) to new subparagraph (iv). Additionally, the Exchange proposes to remove subparagraph (4) of paragraph (d) from Rule 517 in its entirety, and to renumber current subparagraph (5) to new subparagraph (4). The Exchange proposes to amend paragraph (a) of Exchange Rule 605 to remove a reference to Fill-or-Kill Orders. The

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3   See Exchange Rule 516(b)(2).

4   The term "Market Makers" refers to "Lead Market Makers", "Primary Lead Market Makers" and "Registered Market Makers" collectively. See Exchange Rule 100.

5   The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

6   See Exchange Rule 517(a)(2)(iv).

Exchange proposes to amend subparagraph (c) of Policy .02 of Exchange Rule 612 to remove a

reference to FOK eQuotes and to make minor non substantive edits to the rule text.

MIAX Emerald is an affiliate exchange of the MIAX Options Exchange and offers similar

functionality and similar order types as MIAX Options. MIAX Options Exchange Rule 516 states,

> It should be noted that some of the order types defined below are valid only during
> certain portions of the trading day (e.g., Opening Orders) or during certain events
> (e.g., Auction or Cancel Orders). If a Member submits an order type during a time
> period when the order type is not valid, the System will reject the order. It should
> also be noted that not all of the order types listed and described in this rule will
> be initially available for use on the Exchange. The Exchange will issue a
> Regulatory Circular listing which order types, among the order types set forth
> below, are available. Additional Regulatory Circulars will be issued as additional
> order types, among those order types set forth below, become available for use on
> the Exchange. Regulatory Circulars will also be issued when an order type that
> had been in usage on the Exchange will no longer be available for use.

MIAX Options recently issued Regulatory Circulars indicating that FOK Orders and

FOK eQuotes will no longer be available for use on the MIAX Options Exchange.[7] MIAX

Emerald proposes to make both FOK Orders and FOK eQuotes unavailable on the MIAX

Emerald Exchange so as to avoid confusion among Members[8] that may be Members of both

MIAX Options and MIAX Emerald.[9]

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[7]   See MIAX Options Regulatory Circular 2021-20, Fill-or-Kill Orders will no longer be
        supported on the MIAX Options Exchange (April 8, 2021) available at
        https://www.miaxoptions.com/sites/default/files/circular-
        files/MIAX_Options_RC_2021_20.pdf; and MIAX Options Regulatory Circular 2021-
        21, Fill-or-Kill eQuotes will no longer be supported on the MIAX Options Exchange
        (April 9, 2021) available at: https://www.miaxoptions.com/sites/default/files/circular-
        files/MIAX_Options_RC_2021_21.pdf.

[8]   The term "Member" means an individual or organization approved to exercise the trading
        rights associated with a Trading Permit. Members are deemed "members" under the
        Exchange Act. See Exchange Rule 100.

[9]   The Exchange notes that FOK Orders and FOK eQuotes are not available on the
        Exchange's other affiliate exchange, MIAX Pearl Options Exchange.

b.   Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act[10] in general, and furthers the objectives of Section 6(b)(5) of the Act[11] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that its proposal promotes just and equitable principles of trade and removes impediments to and perfects the mechanisms of a free and open market and a national market system and, in general, protects investors and the public interest by removing an order type from the Exchange that is not widely used by investors. Removing an infrequently used order type from the Exchange's rulebook benefits investors by simplifying the Exchange's rulebook.

Additionally, the Exchange believes that its proposal promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market and a national market system and, in general, protects investors and the public interest by aligning functionality available on the Exchange to that of its affiliate exchange. Specifically, the Exchange believes that although MIAX Emerald rules may, in certain instances, intentionally differ from MIAX Options rules, the proposed change will promote uniformity with the MIAX Options Exchange and allow MIAX Emerald to provide functionality similar to MIAX Options.

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10   15 U.S.C. 78f(b).

11   15 U.S.C. 78f(b)(5).

MIAX Emerald and MIAX Options may have a number of common Members, and where feasible the Exchange intends to provide consistency between MIAX Options and MIAX Emerald so as to avoid confusion among Members.

4.   Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes the proposed rule change will not impose any burden on intra-market competition because the rules of the Exchange apply equally to all Members. Members may still receive an immediate execution on the Exchange by using an Immediate-or-Cancel Order.[12]

The Exchange does not believe that the proposed rule change will impose any burden on inter-market competition as the Exchange's proposal is not designed to address any competitive issues. The Exchange's proposal removes an infrequently used order type from the Exchange and aligns its functionality to its affiliate Exchange, MIAX Options. Additionally, the Exchange believes the proposed rule change will not impose any burden on inter-market competition as option exchanges offer a variety of order types and not every option exchange offers every order type.[13]

5.   Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

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[12]   An Immediate-or-Cancel Order is an order that is to be executed in whole or in part upon receipt. Any portion not so executed is cancelled. An Immediate-or-Cancel Order is not valid during the Opening Process described in MIAX Emerald Rule 503. See Exchange Rule 516(c).

[13]   BOX Options Exchange supports a Fill and Kill (FAK) order type but not a Fill or Kill order type. See BOX Exchange Rule 7110. Nasdaq Phlx supports an All-or-None Order but not a Fill or Kill order type. See Nasdaq Phlx Options 3, Section 7(b)(5).

6.   Extension of Time Period for Commission Action

Not applicable.

7.   Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A) of the Act[14] and Rule 19b-4(f)(6)[15] thereunder, the

Exchange has designated this proposal as one that effects a change that: (i) does not significantly

affect the protection of investors or the public interest; (ii) does not impose any significant

burden on competition; and (iii) by its terms, does not become operative for 30 days after the

date of the filing, or such shorter time as the Commission may designate if consistent with the

protection of investors and the public interest.

Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written

notice of its intent to file the proposed rule change at least five business days prior to the date of

filing of the proposed rule change, or such shorter time as designated by the Commission. The

Exchange has satisfied this requirement. Furthermore, a proposed rule change filed pursuant to

Rule 19b-4(f)(6) under the Act[16] normally does not become operative for 30 days after the date

of its filing. However, Rule 19b-4(f)(6)[17] permits the Commission to designate a shorter time if

such action is consistent with the protection of investors and the public interest.

As described above, the Exchange's proposed rule changes are based on substantively

identical rules of MIAX Options. Accordingly, because the proposed rule changes are based on

the rules of another Self-Regulatory Organization and thus do not introduce any new regulatory

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[14]   15 U.S.C. 78s(b)(3)(A).

[15]   17 CFR 240.19b-4(f)(6).

[16]   17 CFR 240.19b-4(f)(6).

[17]   17 CFR 240.19b-4(f)(6).

issues, the Exchange has filed this rule filing as non-controversial under Section 19(b)(3)(A) of

the Act[18] and paragraph (f)(6) of Rule 19b-4 thereunder.[19]

The Exchange's proposal to remove the FOK order type does not significantly affect the

protection of investors or the public interest as this order type is infrequently used on the

Exchange. Removing this order type in a timely fashion benefits investors as this order type is

no longer available on the Exchange's affiliate, MIAX Options, and while MIAX Emerald rules

may, in certain instances, intentionally differ from MIAX Options rules, the Exchange intends to

provide functionality similar to MIAX Options. MIAX Emerald and MIAX Options may have a

number of common Members, and where feasible the Exchange intends to provide consistency

between MIAX Options and MIAX Emerald so as to avoid confusion among Members.

Additionally, the Exchange's proposal does not impose any significant burden on

competition as the Exchange's proposal was not designed to address any competitive issues, but

rather to remove an infrequently used order type.

The Exchange respectfully requests that the Commission waive the 30-day pre-operative

delay pursuant to Section 19(b)(3)(A) of the Act[20] and paragraph (f)(6) of Rule 19b-4

thereunder.[21] Waiver of this requirement, specified in Rule 19b-4(f)(6), [22] will allow the

Exchange to harmonize its functionality to that of MIAX Options and thus reduce the potential

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[18]   17 CFR 240.19b-4.

[19]   17 CFR 240.19b-4(f)(6).

[20]   15 U.S.C. 78s(b)(3)(A).

[21]   17 CFR 240.19b-4(f)(6).

[22]   17 CFR 240.19b-4(f)(6).

for confusion among its Members. The Exchange does not believe that removal of the FOK

order type will impact users as this order type is infrequently used on the Exchange.

Based on the foregoing, the Exchange believes that its proposal should become

immediately effective and requests that the Commission waive the 30-day pre-operative waiting

period contained in Rule 19b-4(f)(6)(iii) under the Act.[23] Waiver of this requirement is consistent

with the protection of investors and the public interest for the reasons described above.

At any time within 60 days of the filing of the proposed rule change, the Commission

summarily may temporarily suspend such rule change if it appears to the Commission that such

action is necessary or appropriate in the public interest, for the protection of investors, or

otherwise in furtherance of the purposes of the Act.

8.   Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is based on MIAX Options Exchange Rule 516 and MIAX

Options Exchange Rule 517.

9.   Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10.   Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11.   Exhibits

1. Notice of proposed rule for publication in the Federal Register.

5. Text of proposed rule change.

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[23]   17 CFR 240.19b-4(f)(6)(iii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-   ; File No. SR-EMERALD-2021-14)

April__, 2021

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX Emerald, LLC to Amend Exchange Rule 515, Execution of Orders and Quotes; Rule 516, Order Types Defined; Rule 517 Quote Types Defined; Rule 605, Market Maker Orders; and Rule 612 Aggregate Risk Manager to eliminate Fill-or-Kill (FOK) Orders and FOK eQuotes

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934

("Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on April 19, 2021, MIAX

Emerald, LLC ("MIAX Emerald" or "Exchange") filed with the Securities and Exchange

Commission ("Commission") a proposed rule change as described in Items I, II, and III below,

which Items have been prepared by the Exchange. The Commission is publishing this notice to

solicit comments on the proposed rule change from interested persons.

I.   Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed
        Rule Change

The Exchange proposes to amend Exchange Rule 515, Execution of Orders and Quotes;

Rule 516, Order Types Defined; Rule 517 Quote Types Defined; Rule 605, Market Maker

Orders; and Rule 612 Aggregate Risk Manager to eliminate Fill-or-Kill (FOK) Orders and FOK

eQuotes from the rulebook and to delete references to same.

The text of the proposed rule change is available on the Exchange's website at

http://www.miaxoptions.com/rule-filings/emerald at MIAX Emerald's principal office, and at

the Commission's Public Reference Room.

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[1]   15 U.S.C. 78s(b)(1).

[2]   17 CFR 240.19b-4.

II.   Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the
        Proposed Rule Change

        In its filing with the Commission, the Exchange included statements concerning the

purpose of and basis for the proposed rule change and discussed any comments it received on

the proposed rule change. The text of these statements may be examined at the places specified

in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C

below, of the most significant aspects of such statements.

        A.   Self-Regulatory Organization's Statement of the Purpose of, and Statutory
                Basis for, the Proposed Rule Change

                1.   Purpose

        The Exchange proposes to amend its rules to eliminate Fill-or-Kill Orders and Fill-or-Kill

eQuotes. A Fill-or-Kill ("FOK") Order is described by the Exchange as a limit order that is to be

executed in its entirety at a single price as soon as it is received and, if not so executed is

cancelled.[3] A Fill-or-Kill ("FOK") eQuote is described by the Exchange as an eQuote submitted

by a Market Maker[4] that must be matched with another quote or order for an execution in its

entirety at a single price upon receipt into the System[5] or will be immediately cancelled.[6]

        Specifically, the Exchange now proposes to amend paragraph (c)(1) of Exchange Rule

515 to remove the reference regarding Fill-or-Kill Orders. The Exchange proposes to remove

the text in paragraph (f) in its entirety, but to leave paragraph (f) in place and mark it as reserved

for future use. The Exchange proposes to remove subparagraph (2) of paragraph (b) of Exchange

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[3]   See Exchange Rule 516(b)(2).

[4]   The term "Market Makers" refers to "Lead Market Makers", "Primary Lead Market
        Makers" and "Registered Market Makers" collectively. See Exchange Rule 100.

[5]   The term "System" means the automated trading system used by the Exchange for the
        trading of securities. See Exchange Rule 100.

[6]   See Exchange Rule 517(a)(2)(iv).

Rule 516 in its entirety, and to renumber current subparagraph (3) to new subparagraph (2). The

Exchange proposes to remove subparagraph (iv) of paragraph (a)(2) from Rule 517 in its

entirety, and to renumber current subparagraph (v) to new subparagraph (iv). Additionally, the

Exchange proposes to remove subparagraph (4) of paragraph (d) from Rule 517 in its entirety,

and to renumber current subparagraph (5) to new subparagraph (4). The Exchange proposes to

amend paragraph (a) of Exchange Rule 605 to remove a reference to Fill-or-Kill Orders. The

Exchange proposes to amend subparagraph (c) of Policy .02 of Exchange Rule 612 to remove a

reference to FOK eQuotes and to make minor non substantive edits to the rule text.

MIAX Emerald is an affiliate exchange of the MIAX Options Exchange and offers similar

functionality and similar order types as MIAX Options. MIAX Options Exchange Rule 516 states,

> It should be noted that some of the order types defined below are valid only during
> certain portions of the trading day (e.g., Opening Orders) or during certain events
> (e.g., Auction or Cancel Orders). If a Member submits an order type during a time
> period when the order type is not valid, the System will reject the order. It should
> also be noted that not all of the order types listed and described in this rule will
> be initially available for use on the Exchange. The Exchange will issue a
> Regulatory Circular listing which order types, among the order types set forth
> below, are available. Additional Regulatory Circulars will be issued as additional
> order types, among those order types set forth below, become available for use on
> the Exchange. Regulatory Circulars will also be issued when an order type that
> had been in usage on the Exchange will no longer be available for use.

MIAX Options recently issued Regulatory Circulars indicating that FOK Orders and

FOK eQuotes will no longer be available for use on the MIAX Options Exchange.[7] MIAX

Emerald proposes to make both FOK Orders and FOK eQuotes unavailable on the MIAX

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[7]   See MIAX Options Regulatory Circular 2021-20, Fill-or-Kill Orders will no longer be
        supported on the MIAX Options Exchange (April 8, 2021) available at
        https://www.miaxoptions.com/sites/default/files/circular-
        files/MIAX_Options_RC_2021_20.pdf; and MIAX Options Regulatory Circular 2021-
        21, Fill-or-Kill eQuotes will no longer be supported on the MIAX Options Exchange
        (April 9, 2021) available at: https://www.miaxoptions.com/sites/default/files/circular-
        files/MIAX_Options_RC_2021_21.pdf.

Emerald Exchange so as to avoid confusion among Members[8] that may be Members of both

MIAX Options and MIAX Emerald.[9]

>   2.   Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the

Act[10] in general, and furthers the objectives of Section 6(b)(5) of the Act[11] in particular, in that it

is designed to prevent fraudulent and manipulative acts and practices, to promote just and

equitable principles of trade, to foster cooperation and coordination with persons engaged in

regulating, clearing, settling, processing information with respect to, and facilitating transactions

in securities, to remove impediments to and perfect the mechanisms of a free and open market

and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that its proposal promotes just and equitable principles of trade

and removes impediments to and perfects the mechanisms of a free and open market and a

national market system and, in general, protects investors and the public interest by removing an

order type from the Exchange that is not widely used by investors. Removing an infrequently

used order type from the Exchange's rulebook benefits investors by simplifying the Exchange's

rulebook.

Additionally, the Exchange believes that its proposal promotes just and equitable

principles of trade and removes impediments to and perfects the mechanism of a free and open

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8   The term "Member" means an individual or organization approved to exercise the trading
         rights associated with a Trading Permit. Members are deemed "members" under the
         Exchange Act. See Exchange Rule 100.

9   The Exchange notes that FOK Orders and FOK eQuotes are not available on the
         Exchange's other affiliate exchange, MIAX Pearl Options Exchange.

10   15 U.S.C. 78f(b).

11   15 U.S.C. 78f(b)(5).

market and a national market system and, in general, protects investors and the public interest by

aligning functionality available on the Exchange to that of its affiliate exchange. Specifically,

the Exchange believes that although MIAX Emerald rules may, in certain instances, intentionally

differ from MIAX Options rules, the proposed change will promote uniformity with the MIAX

Options Exchange and allow MIAX Emerald to provide functionality similar to MIAX Options.

MIAX Emerald and MIAX Options may have a number of common Members, and where

feasible the Exchange intends to provide consistency between MIAX Options and MIAX

Emerald so as to avoid confusion among Members.

B.   Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on

competition that is not necessary or appropriate in furtherance of the purposes of the Act. The

Exchange believes the proposed rule change will not impose any burden on intra-market

competition because the rules of the Exchange apply equally to all Members. Members may still

receive an immediate execution on the Exchange by using an Immediate-or-Cancel Order.[12]

The Exchange does not believe that the proposed rule change will impose any burden on

inter-market competition as the Exchange's proposal is not designed to address any competitive

issues. The Exchange's proposal removes an infrequently used order type from the Exchange

and aligns its functionality to its affiliate Exchange, MIAX Options. Additionally, the Exchange

believes the proposed rule change will not impose any burden on inter-market competition as

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[12]   An Immediate-or-Cancel Order is an order that is to be executed in whole or in part upon
         receipt. Any portion not so executed is cancelled. An Immediate-or-Cancel Order is not
         valid during the Opening Process described in MIAX Emerald Rule 503. See Exchange
         Rule 516(c).

option exchanges offer a variety of order types and not every option exchange offers every order

type.[13]

        C.   <u>Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others</u>

Written comments were neither solicited nor received.

III.   <u>Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action</u>

Because the foregoing proposed rule change does not: (i) Significantly affect the

protection of investors or the public interest; (ii) impose any significant burden on competition;

and (iii) become operative for 30 days after the date of the filing, or such shorter time as the

Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act[14] and

Rule 19b-4(f)(6)[15] thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission

summarily may temporarily suspend such rule change if it appears to the Commission that such

action is necessary or appropriate in the public interest, for the protection of investors, or

otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the

Commission shall institute proceedings to determine whether the proposed rule should be

approved or disapproved.

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[13]   BOX Options Exchange supports a Fill and Kill (FAK) order type but not a Fill or Kill order type. <u>See</u> BOX Exchange Rule 7110. Nasdaq Phlx supports an All-or-None Order but not a Fill or Kill order type. <u>See</u> Nasdaq Phlx Options 3, Section 7(b)(5).

[14]   15 U.S.C. 78s(b)(3)(A).

[15]   17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

IV.   Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning

the foregoing, including whether the proposed rule change is consistent with the Act.

Comments may be submitted by any of the following methods:

Electronic comments:

☐   Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml);

or

☐   Send an e-mail to rule-comments@sec.gov. Please include File Number SR-

EMERALD-2021-14 on the subject line.

Paper comments:

☐   Send paper comments in triplicate to Vanessa Countryman, Secretary, Securities

and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-EMERALD-2021-14. This file number

should be included on the subject line if e-mail is used. To help the Commission process and

review your comments more efficiently, please use only one method. The Commission will post

all comments on the Commission's Internet Web site (http://www.sec.gov/rules/sro.shtml).

Copies of the submission, all subsequent amendments, all written statements with respect

to the proposed rule change that are filed with the Commission, and all written communications

relating to the proposed rule change between the Commission and any person, other than those

that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be

available for website viewing and printing in the Commission's Public Reference Room, 100 F

Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m.

and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the

principal office of the Exchange. All comments received will be posted without change; the

Commission does not edit personal identifying information from submissions. You should

submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-EMERALD-2021-14 and should be

submitted on or before [insert date 21 days from publication in the Federal Register]. For the

Commission, by the Division of Trading and Markets, pursuant to delegated authority.[16]

Vanessa Countryman
Secretary

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[16]   17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined;
Deleted text is in [brackets]

MIAX Emerald, LLC Rules

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Rule 515. Execution of Orders and Quotes

(a) - (b) No change.

(c) **Non-Market Maker Orders That Could Not Be Executed or Could Not Be Executed in Full at the Original NBBO Upon Receipt.** An incoming non-Market Maker order that could not be executed or could not be executed in full at the original NBBO upon receipt will be handled in accordance with the following provisions. In addition, non-Market Maker orders that are reevaluated by the System for execution pursuant to an order's price protection instructions that could not be executed or could not be executed in full at the NBBO at the time of reevaluation will be handled in accordance with the following provisions. The following paragraphs will apply to orders both (i) upon receipt by the System, and (ii) upon reevaluation by the System for execution and according to the price protections designated on the order. The term "initiating order" will be used in the following paragraphs to refer to (i) the incoming order that could not be executed, (ii) the order reevaluated by the System for execution that could not be executed, or (iii) the remaining contracts of the incoming order or reevaluated order that could not be executed in full. The term "original NBBO" will be used in the following paragraphs to refer to the NBBO that existed at time of receipt of the initiating order or the NBBO at time of reevaluation of an order pursuant to this Rule.

(1) **Price Protection on Non-Market Maker Orders**. The System will apply the following price protection process to all non-Market Maker orders received during a trading session. The price protection process prevents an order from being executed beyond the price designated in the order's price protection instructions (the "price protection limit"). The price protection instructions are expressed in units of MPV away from the NBBO at the time of the order's receipt, or the EBBO if the ABBO is crossing the EBBO. Market participants may designate price protection instructions on an order by order basis within a minimum and maximum number of MPVs away from the NBBO at the time of receipt, or the EBBO if the ABBO is crossing the EBBO. The minimum and maximum number of MPVs will be determined by the Exchange and announced to Members through a Regulatory Circular, provided that the minimum shall be no less than zero (0) MPVs and the maximum shall be no more than twenty

(20) MPVs. If an order does not contain price protection instructions, the Exchange will assign a default price protection instruction, which will be within one (1) to five (5) MPVs away from the NBBO at the time of receipt, or the EBBO if the ABBO is crossing the EBBO, which default price protection instruction shall be determined by the Exchange and announced to Members through a Regulatory Circular. When triggered, the price protection process will cancel an order or the remaining contracts of an order. The System will not execute such orders at prices inferior to the current NBBO. The price protection process set forth in this paragraph (c)(1) will not apply to orders received (A) prior to the open or during a trading halt; or (B) during a prior trading session and that remain on the Book following the Opening Process (as described in Rule 503). Further, the price protection process set forth in this paragraph (c)(1) will not apply to Intermarket Sweep Orders ("ISO"), which will be handled in accordance with paragraph (g) below. Immediate-or-Cancel ("IOC") Orders will be handled in accordance with paragraph (e) below[, and Fill-or-Kill ("FOK") Orders will be handled in accordance with paragraph (f) below]. The System will handle Market Maker quotes and orders in accordance with paragraph (d) below.

(i) - (ii) No change.

(d) - (e) No change.

(f) [**Handling of Fill-or-Kill ("FOK") Orders**. As defined in Rule 516(b)(2), an FOK Order is a limit order that is to be executed in its entirety at a single price upon receipt and if not so executed cancelled. Market participants may designate price protection instructions on an order by order basis for FOK Orders in the manner described in paragraph (c)(1) above. If an FOK Order is fully executable against orders and quotes in the System and MIAX Emerald is at the NBBO when an FOK Order is received by the System, the System will execute the FOK Order at the NBBO price or better and if the FOK Order could not be executed in full at a single price, the FOK Order is cancelled. If the EBBO is not at the NBBO at the time the FOK Order is received or the FOK Order is not fully executable against any orders or quotes in the System, the FOK Order will be immediately cancelled.]**Reserved.**

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Rule 516. Order Types Defined

It should be noted that some of the order types defined below are valid only during certain portions of the trading day (e.g., Opening Orders) or during certain events (e.g., Auction-or-Cancel Orders). If a Member submits an order type during a time period when the order type is not valid, the System will reject the order.

(a) No change.

(b) **Limit Orders**. A limit order is an order to buy or sell a stated number of option contracts at a specified price or better.

     (1) **Marketable Limit Orders.** A marketable limit order is a limit order to buy (sell) at or above (below) the best offer (bid) on the Exchange.

     [(2) **Fill-or-Kill Orders.** A Fill-or-Kill Order is a limit order that is to be executed in its entirety at a single price as soon as it is received and, if not so executed is cancelled. A Fill-or-Kill Order is not valid during the Opening Process described in Rule 503.]

     ([3]2) **Auction-or-Cancel Orders.** An Auction-or-Cancel or "AOC" Order is a limit order used to provide liquidity during a specific Exchange process (such as the Opening Imbalance process described in Rule 503) with a time in force that corresponds with that event. AOC Orders are not displayed to any market participant, are not included in the EBBO and therefore are not eligible for trading outside of the event, may not be routed, and may not trade at a price inferior to the away markets.

<center>*********</center>

Rule 517. Quote Types Defined

Market Makers may communicate to the Exchange bids and offers using one or more of the following quote types. All of the bids and offers in the quote types described below shall be firm in accordance with the Market Maker's obligations under Exchange Rules and Rule 602 of Regulation NMS. However, bids and offers in certain of the eQuote types, as identified in paragraph (d) below, will not be disseminated by the Exchange to quotation vendors in accordance with Rule 602 of Regulation NMS given their limited time in force contingencies. Some of the quote types defined below are valid only during certain portions of the trading day (e.g., Opening Only eQuotes) or during certain events (e.g., Auction-or-Cancel eQuotes). If a Member submits a quote type during a time period when the quote type is not valid, the System will reject the quote.

(a) **Quote Types:**

     (1) No change.

     (2) **eQuote.** An eQuote is a quote with a specific time in force that does not automatically cancel and replace a previous Standard quote or eQuote. An eQuote can be cancelled by the Market Maker at any time, or can be replaced by another eQuote that contains specific instructions to cancel an existing eQuote.

          (i) - (iii) No change.

[(iv) **Fill-or-Kill eQuote.** A Fill-or-Kill or "FOK" eQuote is an eQuote submitted by a Market Maker that must be matched with another quote or order for an execution in its entirety at a single price upon receipt into the System or will be immediately cancelled. An FOK eQuote does not automatically cancel or replace the Market Maker's previous Standard quote or eQuote. An FOK eQuote is not valid during the Opening Process described in Rule 503.]

(iv[v]) **Intermarket Sweep eQuote.** A Market Maker may submit an Intermarket Sweep eQuote to the Exchange only if it has simultaneously routed one or more Intermarket Sweep Orders to execute against the full displayed size of any Protected Bid (as defined in Rule 1400(p)), in the case of an intermarket sweep offer to sell, or Protected Offer (as defined in Rule 1400(p)), in the case of an intermarket sweep bid to buy, an option with a price that is superior to the Intermarket Sweep eQuote. Intermarket Sweep eQuotes that are not designated as immediate or cancel will be cancelled by the System if not executed upon receipt. Intermarket Sweep eQuotes do not automatically cancel or replace the Market Maker's previous Standard Quote or eQuote. An Intermarket Sweep eQuote is not valid during the Opening Process described in Rule 503.

(b) - (c) No change.

(d) Bids and offers in the following limited time in force eQuote types will not be disseminated by the Exchange in accordance with Rule 602 of Regulation NMS. In addition, executions resulting from the following eQuote types will not be used by the Exchange's Aggregate Risk Manager to determine whether the Market Maker has exceeded the Allowable Exchange Percentage as more fully described in Rule 612:

(1) Auction-or-Cancel eQuote;

(2) Opening Only eQuote;

(3) Immediate-or-Cancel eQuote; and

[(4) Fill-or-Kill eQuote; and]

([5]4) Immediate-or-Cancel Intermarket Sweep eQuote.

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Rule 605. Market Maker Orders

(a) **Options Classes to Which Appointed**. Market Makers may place principal orders to buy or sell options in the options classes to which they are appointed under Rule 602, including Day Limit

Orders, Opening ("OPG") Orders, Auction-or-Cancel ("AOC") Orders, Immediate-or-Cancel ("IOC") Orders, [Fill-or-Kill ("FOK") Orders,]Post-Only Orders and cAOC Complex Orders. Market Makers may not enter market orders or Good 'til Cancelled ("GTC") Orders in their assigned classes. Registered Market Makers shall comply with the provisions of Rule 604(e)(3)(i) upon the entry of such orders if they were not previously quoting in the series.

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Rule 612. Aggregate Risk Manager (ARM)

(a) - (d) No change.

Interpretations and Policies:

.01 No change.

.02 **Enhanced Aggregate Risk Manager Protections.** Market Makers may determine to engage any of the following Enhanced Aggregate Risk Manager Protections in the System:

(a) - (b) No change.

(c) **Market Maker Single Side Protection**. A Market Maker may determine to engage the Market Maker Single Side Protection ("SSP") feature by Market Participant Identifier ("MPID"). If the full remaining size of a Market Maker's Standard quote, or IOC eQuote,[or FOK eQuote,] in an individual option, is exhausted by a trade, the System will trigger the SSP. When triggered, the System will cancel all Standard quotes and block all new inbound Standard quotes, and IOC eQuotes, [and FOK eQuotes,]for that particular side of that individual option for that MPID. The System will provide a notification message to the Market Maker. The block will remain in effect until the Market Maker notifies the Exchange (in a manner required by the Exchange and communicated to Members by Regulatory Circular) to reset the SSP ("SSP Reset").

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