

OMB APPROVAL

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Page 1 of \* 18

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

File No.\* SR - 2014 - \* 55

Amendment No. (req. for Amendments \*)

Filing by Miami International Securities Exchange, LLC.  
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**

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

Amend the MIAX Options Fee Schedule.

**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 \* Brian Last Name \* O'Neill  
 Title \* Vice President and Senior Counsel  
 E-mail \* boneill@miami-holdings.com  
 Telephone \* (609) 897-1434 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 10/16/2014  
 By Brian O'Neill  
 (Name \*)  
 Vice President and Senior Counsel

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.

Persona Not Validated - 1399471823417.

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information \***

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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 \***

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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 \***

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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**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 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**

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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) Miami International Securities Exchange, LLC (“MIAX” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to amend the MIAX Options Fee Schedule (the “Fee Schedule”).

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the applicable section of the MIAX Options Fee Schedule 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 pursuant to authority delegated by the MIAX Board of Directors on December 12, 2013. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the proposed rule change.

Questions and comments on the proposed rule change may be directed to Brian O’Neill, Senior Counsel and Vice President, at (609) 897-1434.

**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 marketing fee.<sup>3</sup> The marketing fee is assessed on certain transactions of all Market Makers.<sup>4</sup> The funds collected via this marketing fee are then

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

put into pools controlled by Primary Lead Market Makers (“PLMMs”) and LMMs. The PLMM or LMM controlling a certain pool of funds can then determine the Electronic Exchange Member(s) (“EEM”) to which the funds should be directed in order to encourage such EEM(s) to send orders to the Exchange. In accordance with Exchange Rule 514, an EEM can designate an order (“Directed Order”) to a specific LMM.

Currently, Section 1(b) of the Fee Schedule, provides that to qualify for a marketing fee allocation for an applicable month, an LMM must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month. For non-directed orders and orders directed to non-qualifying LMMs, applicable Marketing Fees are allocated to the PLMM’s Marketing Fee “pool.” All Market Makers that participated in such transactions will pay the applicable Marketing Fee to the Exchange, which will allocate such funds to the Member that controls the distribution of the Marketing Fee “pool.” Each month the Member will submit written instructions to MIAX describing how MIAX is to distribute the Marketing Fees in the “pool” to Electronic Exchange Members identified by the Member.

However, other options exchanges allow an LMM (or similar position) to have access to the marketing fee funds generated from a Directed Order (or similar order type) regardless of whether the LMM has an appointment in a class in which the Directed Order is received and

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<sup>3</sup> The proposal is based on a substantially similar filing by the Chicago Board Options Exchange, Incorporated. See Securities Exchange Act Release No. 68131 (November 1, 2012), 77 FR 67032 (November 8, 2012) (SR-CBOE-2012-101).

<sup>4</sup> See MIAX Options Fee Schedule, Section (1)(b), entitled Marketing Fee for more detail regarding the marketing fee.

executed without the additional requirement for an LMM to have at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month.<sup>5</sup> The Exchange now proposes to remove this additional requirement so that its marketing fee program operates in a manner more similar to that of competing options exchanges that offer similar programs.

The Exchange proposes amending the Fee Schedule to allow LMMs to receive an allocation of marketing fees generated by Directed Orders sent to the LMM without any additional requirements. Specifically, the Exchange proposes to remove the requirements that provide that an LLM, in order to qualify to be allocated Marketing Fees for Directed Orders for an applicable month, must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month. The proposed changes will more closely align the Exchange’s marketing fee program with the requirements of other competing exchanges that offer similar programs.<sup>6</sup>

Permitting LMMs to be allocated marketing fees generated from a Directed Order without these additional requirements would allow LMMs to encourage greater order flow to be sent to the Exchange. This increased order flow would benefit all market participants on the

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<sup>5</sup> See CBOE Fees Schedule, fn. 6; NASDAQ OMX Phlx, LLC (“Phlx”) Pricing Schedule, section on Payment for Order Flow Fee; NYSE Amex Options Fee Schedule, fn. 10; International Securities Exchange, LLC (“ISE”) Schedule of Fees, Section IV(D). None of which contain requirements that a PLMM or LMM (or similar position) have an appointment in the class in which a Directed Order (or similar order type) is received and executed nor the additional requirement of a minimum number of options class appointments in order to have access to the marketing fee funds generated from that Preferred order.

<sup>6</sup> See id.

Exchange, such as customers with resting orders on the Exchange and LMMs that have an appointment and quote in the relevant option. Allowing LMMs to be allocated marketing fees generated from a Directed Order in the manner that is proposed would provide LMMs with an incentive to encourage the routing of order flow into classes in which the LMM otherwise would not. Further, the proposal will also provide LMMs with more flexibility to determine which classes that they choose to be appointed in and still receive payment for order flow without the restrictive criteria; as they will not have to be concerned with whether or not they have met the minimum class appointment threshold prior to making arrangements to paying for order flow in a specific class.

The proposed fee changes are to take effect on November 1, 2014.

b. Statutory Basis

MIAX believes that its proposed rule change is consistent with Section 6(b) of the Act<sup>7</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>8</sup> 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 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 this proposal to remove a requirement that other exchanges do not share, perfects the mechanism for a free and open market and a national market system by allowing the Exchange's marketing fee program to operate in a manner similar to competing options exchanges. In addition, the proposal promotes just and equitable principles of trade by

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<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

encouraging greater order flow to be sent to the Exchange through Directed Orders in a manner that will benefit all market participants on the Exchange.

The Exchange also believes that the proposed changes to the marketing fee is consistent with Section 6(b)(4) of the Act<sup>9</sup> which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities. The proposed change is reasonable because it will allow LMMs greater access to marketing fee funds. The proposed change is equitable and not unfairly discriminatory because it is designed to allow LMMs to encourage greater order flow to be sent to the Exchange. A LMM could be able to amass a greater pool of funds with which to use to incent order flow providers to send order flow to the Exchange. This increased order flow would benefit all market participants on the Exchange. Further, allowing additional LMMs to access marketing fee funds generated from a Directed Order would provide LMMs with an incentive to encourage the routing of order flow into classes in which the LMM otherwise would not.

#### **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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change would place the Exchange on equal footing as other exchanges that allow their LMM equivalents to be allocated marketing fees generated by Directed Orders. The Exchange believes that such an even playing field will promote competition among options exchanges. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues who offer similar fee structures. Many competing venues offer similar fee structures to market participants. To this end, the Exchange is proposing

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<sup>9</sup> 15 U.S.C. 78f(b)(4).

a market enhancement to encourage market participants to trade on the Exchange. The Exchange believes the proposed rule change is procompetitive because it would enable the Exchange to provide member organizations with a fee structure that is similar to that of other exchanges.

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.

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)(ii) of the Act,<sup>10</sup> and Rule 19b-4(f)(2) thereunder,<sup>11</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

At any time within 60 days of the filing of this 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 proposal is based on a substantially similar filing by CBOE.<sup>12</sup>

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>11</sup> 17 CFR 240.19b-4(f)(2).

<sup>12</sup> See Securities Exchange Act Release No. 68131 (November 1, 2012), 77 FR 67032 (November 8, 2012) (SR-CBOE-2012-101).



**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. Applicable section of MIAX Options Fee Schedule

**EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-MIAX-2014-55)

October \_\_, 2014

## Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Amend the MIAX Options Fee Schedule

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October 16, 2014, Miami International Securities Exchange LLC (“MIAX” 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 is filing a proposal to amend the MIAX Options Fee Schedule (the “Fee Schedule”).

The text of the proposed rule change is available on the Exchange’s website at [http://www.miaxoptions.com/filter/wotitle/rule\\_filing](http://www.miaxoptions.com/filter/wotitle/rule_filing), at MIAX’s principal office, and at the Commission’s Public Reference Room.

**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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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 marketing fee.<sup>3</sup> The marketing fee is assessed on certain transactions of all Market Makers.<sup>4</sup> The funds collected via this marketing fee are then put into pools controlled by Primary Lead Market Makers (“PLMMs”) and LMMs. The PLMM or LMM controlling a certain pool of funds can then determine the Electronic Exchange Member(s) (“EEM”) to which the funds should be directed in order to encourage such EEM(s) to send orders to the Exchange. In accordance with Exchange Rule 514, an EEM can designate an order (“Directed Order”) to a specific LMM.

Currently, Section 1(b) of the Fee Schedule, provides that to qualify for a marketing fee allocation for an applicable month, an LMM must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month. For non-directed orders and orders directed to non-qualifying LMMs, applicable Marketing Fees are allocated to the PLMM’s Marketing Fee “pool.” All Market Makers that participated in such transactions will pay the applicable Marketing Fee to the Exchange, which will allocate such funds to the Member that controls the distribution of the

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<sup>3</sup> The proposal is based on a substantially similar filing by the Chicago Board Options Exchange, Incorporated. See Securities Exchange Act Release No. 68131 (November 1, 2012), 77 FR 67032 (November 8, 2012) (SR-CBOE-2012-101).

<sup>4</sup> See MIAX Options Fee Schedule, Section (1)(b), entitled Marketing Fee for more detail regarding the marketing fee.

Marketing Fee “pool.” Each month the Member will submit written instructions to MIAX describing how MIAX is to distribute the Marketing Fees in the “pool” to Electronic Exchange Members identified by the Member.

However, other options exchanges allow an LMM (or similar position) to have access to the marketing fee funds generated from a Directed Order (or similar order type) regardless of whether the LMM has an appointment in a class in which the Directed Order is received and executed without the additional requirement for an LMM to have at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month.<sup>5</sup> The Exchange now proposes to remove this additional requirement so that its marketing fee program operates in a manner more similar to that of competing options exchanges that offer similar programs.

The Exchange proposes amending the Fee Schedule to allow LMMs to receive an allocation of marketing fees generated by Directed Orders sent to the LMM without any additional requirements. Specifically, the Exchange proposes to remove the requirements that provide that an LLM, in order to qualify to be allocated Marketing Fees for Directed Orders for an applicable month, must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month. The

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<sup>5</sup> See CBOE Fees Schedule, fn. 6; NASDAQ OMX Phlx, LLC (“Phlx”) Pricing Schedule, section on Payment for Order Flow Fee; NYSE Amex Options Fee Schedule, fn. 10; International Securities Exchange, LLC (“ISE”) Schedule of Fees, Section IV(D). None of which contain requirements that a PLMM or LMM (or similar position) have an appointment in the class in which a Directed Order (or similar order type) is received and executed nor the additional requirement of a minimum number of options class appointments in order to have access to the marketing fee funds generated from that Preferred order.

proposed changes will more closely align the Exchange's marketing fee program with the requirements of other competing exchanges that offer similar programs.<sup>6</sup>

Permitting LMMs to be allocated marketing fees generated from a Directed Order without these additional requirements would allow LMMs to encourage greater order flow to be sent to the Exchange. This increased order flow would benefit all market participants on the Exchange, such as customers with resting orders on the Exchange and LMMs that have an appointment and quote in the relevant option. Allowing LMMs to be allocated marketing fees generated from a Directed Order in the manner that is proposed would provide LMMs with an incentive to encourage the routing of order flow into classes in which the LMM otherwise would not. Further, the proposal will also provide LMMs with more flexibility to determine which classes that they choose to be appointed in and still receive payment for order flow without the restrictive criteria; as they will not have to be concerned with whether or not they have met the minimum class appointment threshold prior to making arrangements to paying for order flow in a specific class.

The proposed fee changes are to take effect on November 1, 2014.

## 2. Statutory Basis

MIAX believes that its proposed rule change is consistent with Section 6(b) of the Act<sup>7</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>8</sup> 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 facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and

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<sup>6</sup> See id.

<sup>7</sup> 15 U.S.C. 78f(b).

<sup>8</sup> 15 U.S.C. 78f(b)(5).

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

The Exchange believes that this proposal to remove a requirement that other exchanges do not share, perfects the mechanism for a free and open market and a national market system by allowing the Exchange's marketing fee program to operate in a manner similar to competing options exchanges. In addition, the proposal promotes just and equitable principles of trade by encouraging greater order flow to be sent to the Exchange through Directed Orders in a manner that will benefit all market participants on the Exchange.

The Exchange also believes that the proposed changes to the marketing fee is consistent with Section 6(b)(4) of the Act<sup>9</sup> which provides that Exchange rules may provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities. The proposed change is reasonable because it will allow LMMs greater access to marketing fee funds. The proposed change is equitable and not unfairly discriminatory because it is designed to allow LMMs to encourage greater order flow to be sent to the Exchange. A LMM could be able to amass a greater pool of funds with which to use to incent order flow providers to send order flow to the Exchange. This increased order flow would benefit all market participants on the Exchange. Further, allowing additional LMMs to access marketing fee funds generated from a Directed Order would provide LMMs with an incentive to encourage the routing of order flow into classes in which the LMM otherwise would not.

**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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change would place the Exchange on equal footing as other exchanges that allow their LMM

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<sup>9</sup> 15 U.S.C. 78f(b)(4).

equivalents to be allocated marketing fees generated by Directed Orders. The Exchange believes that such an even playing field will promote competition among options exchanges. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues who offer similar fee structures. Many competing venues offer similar fee structures to market participants. To this end, the Exchange is proposing a market enhancement to encourage market participants to trade on the Exchange. The Exchange believes the proposed rule change is procompetitive because it would enable the Exchange to provide member organizations with a fee structure that is similar to that of other exchanges.

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

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.<sup>10</sup> 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.

IV. Solicitation of Comments

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

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](mailto:rule-comments@sec.gov). Please include File Number SR-MIAX-2014-55 on the subject line.

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MIAX-2014-55. 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-MIAX-2014-55 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.<sup>11</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>11</sup> 17 CFR 200.30-3(a)(12).

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

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## MIAX Options Fee Schedule

### 1) Transaction Fees

#### a) No Change.

#### b) Marketing Fee

MIAX will assess a Marketing Fee to all Market Makers for contracts, including mini options, they execute in their assigned classes when the contra-party to the execution is a Priority Customer. MIAX will not assess a 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; unless, it executes against an unrelated order.

Members that are assigned as PLMMs and LMMs will have a Marketing Fee “pool” into which the Exchange will deposit the applicable per-contract Marketing Fee. For orders directed to PLMMs and [certain qualifying ]LMMs, applicable Marketing Fees are allocated to the PLMM’s or LMM’s Marketing Fee “pool.” [To qualify for a Marketing Fee allocation for an applicable month, an LMM must either: (i) have an appointment in the relevant option class at the time of being directed the order; or (ii) for the month preceding the applicable month (the “qualifying month”) have an appointment as an LMM for at least ten (10) trading days in a minimum of fifty percent (50%) of the option classes listed on the Exchange for the entire qualifying month.] For non-directed orders [and orders directed to non-qualifying LMMs], applicable Marketing Fees are allocated to the PLMM’s Marketing Fee “pool.” All Market Makers that participated in such transactions will pay the applicable Marketing Fee to the Exchange, which will allocate such funds to the Member that controls the distribution of the Marketing Fee “pool.” Each month the Member will submit written instructions to MIAX describing how MIAX is to distribute the Marketing Fees in the “pool” to Electronic Exchange Members identified by the Member.

Undispersed Marketing Fees will be reimbursed to Market Makers that contributed to the “pool” based upon their pro-rata portion of the entire amount of Marketing Fees collected on a three month rolling schedule.

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