

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 19	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2014 - * 70	Amendment No. (req. for Amendments *)
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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

Exhibit 3 Sent As Paper Document

**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 12/24/2014 Vice President and Senior Counsel

By Brian O'Neill

(Name \*)

Persona Not Validated - 1399471823417,

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.

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 EFFF 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 \***

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 \***

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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**

Add Remove View

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 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) 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 its 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 proposed 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 senior management of the Exchange pursuant to authority delegated by the MIAX Board of Directors on December 11, 2014. 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, Vice President and Senior Counsel, 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 current MIAX Market Maker<sup>3</sup> sliding scale for transaction fees to: (i) add an additional volume tier; (ii) modify the volume thresholds in the tiers; and (iii) add an additional tier to the Priority Customer rebate incentive.

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

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

<sup>3</sup> “MIAX Market Maker” for purposes of the proposed sliding scale means any MIAX Market Maker including RMM, LMM, PLMM, DLMM, and DPLMM.

The sliding scale for MIAX Market Maker transaction fees is based on the substantially similar fees of the Chicago Board Options Exchange, Incorporated (“CBOE”).<sup>4</sup> Specifically, the program reduces a MIAX Market Maker’s per contract transaction fee based on percentages of total national Market Maker volume of any options classes that trade on the exchange during the calendar month, based on the following scale:

Tier	Percentage of National Market Maker Volume	Transaction Fee Per Contract
1	0.00% - 0.03%	\$0.23
2	Above 0.03% - 0.40%	\$0.17
3	Above 0.40% - 0.80%	\$0.12
4	Above 0.80% - 1.50%	\$0.07
5	Above 1.50%	\$0.05

The sliding scale would apply to all MIAX Market Makers for transactions in all products except mini-options. By amending the volume tier calculations and adding a new volume tier, the sliding scale will more closely align with that of CBOE.<sup>5</sup> A MIAX Market Maker’s initial \$0.23 per contract rate will be reduced if the MIAX Market Maker reaches the volume thresholds

<sup>4</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78). See also CBOE Fees Schedule, p. 3.

<sup>5</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

set forth in the sliding scale in a month. As a MIAX Market Maker's monthly volume increases, its per contract transaction fee would decrease. The Market Maker sliding scale will continue to apply to MIAX Market Maker (RMM, LMM, DLMM, PLMM, DPLMM) transaction fees in all products except mini-options. MIAX Market Makers will continue to be assessed a \$0.02 per executed contract fee for transactions in mini-options.

The Exchange believes the proposed sliding scale is objective in that the fee reductions are based solely on reaching stated volume thresholds. The specific volume thresholds of the tiers were set based upon business determinations and an analysis of current volume levels. The specific volume thresholds and rates were set in order to encourage MIAX Market Makers to reach for higher tiers. The Exchange believes that the proposed changes to the tiered fee schedule may incent firms to display their orders on the Exchange and increase the volume of contracts traded here.

As mentioned above, the Exchange notes that the proposed sliding fee scale for MIAX Market Makers structured on contract volume thresholds is based on the substantially similar fees of the CBOE.<sup>6</sup> The Exchange also notes that a number of other exchanges have tiered fee schedules which offer different transaction fee rates depending on the monthly ADV of liquidity providing executions on their facilities.<sup>7</sup>

The Exchange also proposes to add an additional tier to the rebate incentive for Priority Customer orders. The Exchange offers MIAX Market Makers the opportunity to reduce transaction fees by \$0.02 per contract in standard options if the Member or its affiliates of at least

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<sup>6</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

<sup>7</sup> See, e.g., International Securities Exchange, LLC, Schedule of Fees, Section VI, C; NASDAQ Options Market, Chapter XV, Section 2.

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 Exchange proposes to amend the rebate incentive for Priority Customer orders in order to extend the rebate incentive to the new volume tier of the MIAX Market Maker sliding scale. As proposed, any Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, that qualifies for Priority Customer Rebate Program volume tiers 3, 4, or 5 and is a MIAX Market Maker will be assessed \$0.21 per contract for tier 1, \$0.15 per contract for tier 2, \$0.10 per contract for tier 3, \$0.05 per contract for tier 4, and \$0.03 per contract for tier 5 for transactions in standard options in lieu of the applicable transaction fees in the Market Maker sliding scale.

The Exchange believes that these incentives will encourage MIAX Market Makers to transact a greater number of orders on the Exchange.

The proposed changes will become operative on January 1, 2015.

b. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act<sup>8</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>9</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The proposed volume based discount fee structure is not discriminatory in that all MIAX Market Makers are eligible to submit (or not submit) liquidity, and may do so at their discretion in the daily volumes they choose during the course of the billing period. All similarly situated MIAX Market Makers are subject to the same fee structure, and access to the Exchange is

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

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

offered on terms that are not unfairly discriminatory. Volume based discounts have been widely adopted by options and equities markets, and are equitable because they are open to all MIAX Market Makers on an equal basis and provide discounts that are reasonably related to the value of an exchange's market quality associated with higher volumes. The proposed fee levels and volume thresholds are reasonably designed to be comparable to those of other options exchanges employing similar fee programs, and also to attract additional liquidity and order flow to the Exchange.

The Exchange's proposal to offer an additional tier to provide MIAX Market Makers the opportunity to reduce transaction fees by \$0.02 per contract in standard options, provided certain criteria are met, is reasonable because the Exchange desires to offer all such market participants an opportunity to lower their transaction fees. The Exchange's proposal to offer MIAX Market Makers the opportunity to reduce transaction fees by \$0.02 per contract in standard options, provided certain criteria are met, is equitable and not unfairly discriminatory because the Exchange offers all market participants, excluding Priority Customers, a means to reduce transaction fees by qualifying for volume tiers in the Priority Customer Rebate Program. The Exchange believes that offering all such market participants the opportunity to lower transaction fees by incentivizing them to transact Priority Customer order flow in turn benefits all market participants.

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

MIAX 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 Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In

such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees in a manner that encourages market participants to provide liquidity and to send order flow to the Exchange.

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.

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

The sliding scale for MIAX Market Maker transaction fees is based on the similar fees of CBOE.<sup>12</sup> The proposed transaction fees for each tier in the MIAX Market Maker sliding scale are similar to that of CBOE, however with slightly higher transaction fees for tiers 3, 4, and 5.

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

<sup>11</sup> 17 CFR 240.19b-4.

<sup>12</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 69258 (March 29, 2013), 78 FR 69258 (April 4, 2013) (SR-CBOE-2013-038); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129). See also CBOE Fees Schedule, p. 3.



However, the Exchange notes that the Priority Customer rebate incentives lower the transaction fees for qualifying MIAX Market Maker for each tier in the MIAX Market Maker sliding scale so that the transaction fees for tiers 1 and 2 are slightly lower than CBOE and the transactions fees for tiers 3, 4, and 5 are equal to CBOE. In addition, since at this time the Exchange has less total transaction volume than CBOE, the Exchange's proposed volume thresholds are set lower than the corresponding volume thresholds found in the CBOE fees schedule.

**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 the MIAX Fee Schedule

**EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-MIAX-2014-70)

December \_\_, 2014

## Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Amend Its 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 December 24, 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 its 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 current MIAX Market Maker<sup>3</sup> sliding scale for transaction fees to: (i) add an additional volume tier; (ii) modify the volume thresholds in the tiers; and (iii) add an additional tier to the Priority Customer rebate incentive.

The sliding scale for MIAX Market Maker transaction fees is based on the substantially similar fees of the Chicago Board Options Exchange, Incorporated (“CBOE”).<sup>4</sup> Specifically, the program reduces a MIAX Market Maker’s per contract transaction fee based on percentages of total national Market Maker volume of any options classes that trade on the exchange during the calendar month, based on the following scale:

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<sup>3</sup> “MIAX Market Maker” for purposes of the proposed sliding scale means any MIAX Market Maker including RMM, LMM, PLMM, DLMM, and DPLMM.

<sup>4</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 57191 (January 24, 2008), 73 FR 5611 (January 30, 2008); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78). See also CBOE Fees Schedule, p. 3.

Tier	Percentage of National Market Maker Volume	Transaction Fee Per Contract
1	0.00% - 0.03%	\$0.23
2	Above 0.03% - 0.40%	\$0.17
3	Above 0.40% - 0.80%	\$0.12
4	Above 0.80% - 1.50%	\$0.07
5	Above 1.50%	\$0.05

The sliding scale would apply to all MIAX Market Makers for transactions in all products except mini-options. By amending the volume tier calculations and adding a new volume tier, the sliding scale will more closely align with that of CBOE.<sup>5</sup> A MIAX Market Maker's initial \$0.23 per contract rate will be reduced if the MIAX Market Maker reaches the volume thresholds set forth in the sliding scale in a month. As a MIAX Market Maker's monthly volume increases, its per contract transaction fee would decrease. The Market Maker sliding scale will continue to apply to MIAX Market Maker (RMM, LMM, DLMM, PLMM, DPLMM) transaction fees in all products except mini-options. MIAX Market Makers will continue to be assessed a \$0.02 per executed contract fee for transactions in mini-options.

The Exchange believes the proposed sliding scale is objective in that the fee reductions are based solely on reaching stated volume thresholds. The specific volume thresholds of the tiers were set based upon business determinations and an analysis of current volume levels. The

<sup>5</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

specific volume thresholds and rates were set in order to encourage MIAX Market Makers to reach for higher tiers. The Exchange believes that the proposed changes to the tiered fee schedule may incent firms to display their orders on the Exchange and increase the volume of contracts traded here.

As mentioned above, the Exchange notes that the proposed sliding fee scale for MIAX Market Makers structured on contract volume thresholds is based on the substantially similar fees of the CBOE.<sup>6</sup> The Exchange also notes that a number of other exchanges have tiered fee schedules which offer different transaction fee rates depending on the monthly ADV of liquidity providing executions on their facilities.<sup>7</sup>

The Exchange also proposes to add an additional tier to the rebate incentive for Priority Customer orders. The Exchange offers MIAX Market Makers the opportunity to 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 Exchange proposes to amend the rebate incentive for Priority Customer orders in order to extend the rebate incentive to the new volume tier of the MIAX Market Maker sliding scale. As proposed, any Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, that qualifies for Priority Customer Rebate Program volume tiers 3, 4, or 5 and is a MIAX Market Maker will be assessed \$0.21 per contract for tier 1, \$0.15 per contract for tier 2, \$0.10 per contract for tier 3, \$0.05 per

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<sup>6</sup> See Securities Exchange Act Release Nos. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007) (SR-CBOE-2006-111); 58321 (August 6, 2008), 73 FR 46955 (SR-CBOE-2008-78); 71295 (January 14, 2014), 79 FR 3443 (January 21, 2014) (SR-CBOE-2013-129).

<sup>7</sup> See, e.g., International Securities Exchange, LLC, Schedule of Fees, Section VI, C; NASDAQ Options Market, Chapter XV, Section 2.

contract for tier 4, and \$0.03 per contract for tier 5 for transactions in standard options in lieu of the applicable transaction fees in the Market Maker sliding scale.

The Exchange believes that these incentives will encourage MIAX Market Makers to transact a greater number of orders on the Exchange.

The proposed changes will become operative on January 1, 2015.

## 2. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act<sup>8</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>9</sup> in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The proposed volume based discount fee structure is not discriminatory in that all MIAX Market Makers are eligible to submit (or not submit) liquidity, and may do so at their discretion in the daily volumes they choose during the course of the billing period. All similarly situated MIAX Market Makers are subject to the same fee structure, and access to the Exchange is offered on terms that are not unfairly discriminatory. Volume based discounts have been widely adopted by options and equities markets, and are equitable because they are open to all MIAX Market Makers on an equal basis and provide discounts that are reasonably related to the value of an exchange's market quality associated with higher volumes. The proposed fee levels and volume thresholds are reasonably designed to be comparable to those of other options exchanges employing similar fee programs, and also to attract additional liquidity and order flow to the Exchange.

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

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

The Exchange's proposal to offer an additional tier to provide MIAX Market Makers the opportunity to reduce transaction fees by \$0.02 per contract in standard options, provided certain criteria are met, is reasonable because the Exchange desires to offer all such market participants an opportunity to lower their transaction fees. The Exchange's proposal to offer MIAX Market Makers the opportunity to reduce transaction fees by \$0.02 per contract in standard options, provided certain criteria are met, is equitable and not unfairly discriminatory because the Exchange offers all market participants, excluding Priority Customers, a means to reduce transaction fees by qualifying for volume tiers in the Priority Customer Rebate Program. The Exchange believes that offering all such market participants the opportunity to lower transaction fees by incentivizing them to transact Priority Customer order flow in turn benefits all market participants.

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 Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the proposed rule change reflects this competitive environment because it modifies the Exchange's fees in a manner that encourages market participants to provide liquidity and to send order flow to the Exchange.

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

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:to-rule-comments@sec.gov). Please include File Number SR-MIAX-2014-70 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-2014-70. This file number should be included on the subject line if e-mail is used. To help the Commission process and

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



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-2014-70 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).

## Exhibit 5

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

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## MIAX Options Fee Schedule

### 1) Transaction Fees

#### a) Exchange Fees

##### i) Market Maker Transaction Fees

##### Market Maker Sliding Scale

Origin	Tier	Contracts Per Month	Transaction Fee Per Contract
All MIAX Market Makers <sup>1</sup>	1	0.00% - 0. <del>[35]</del> <u>03</u> %	\$0. <del>[17]</del> <u>23</u>
	2	Above 0. <del>[35]</del> <u>03</u> % - 0. <del>[75]</del> <u>40</u> %	\$0. <del>[12]</del> <u>17</u>
	3	Above 0. <del>[75]</del> <u>40</u> % - [1.50] <u>0.80</u> %	\$0. <del>[07]</del> <u>12</u>
	4	Above <u>0.80%</u> - 1.50%	\$0. <del>[05]</del> <u>07</u>
	<u>5</u>	<u>Above 1.50%</u>	<u>\$0.05</u>

Volume thresholds are based on the total national Market Maker volume of any options classes with traded volume on MIAX during the month. The Market Maker Sliding Scale applies to MIAX Market Maker (RMM, LMM, DLMM, PLMM, DPLMM) transaction fees in all products except mini-options. MIAX Market Makers will be assessed a \$0.02 per executed contract fee for transactions in mini-options. A MIAX Market Maker's standard per contract transaction fee shall be reduced to the fees shown on the sliding scale as the MIAX Market Maker reaches the volume thresholds shown on the sliding scale in a month. The Exchange will aggregate the trading activity of separate MIAX Market Maker firms for purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. Any Member or its affiliates of at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A, that qualifies for Priority Customer Rebate

<sup>1</sup> See MIAX Rule 100 for the definition of Registered Market Maker ("RMM"), Primary Lead Market Maker ("PLMM"), Lead Market Maker ("LMM"). Directed Order Lead Market Maker ("DLMM") and Directed Primary Lead Market Maker ("DPLMM") is a party to a transaction being allocated to the LMM or PLMM and is the result of an order that has been directed to the LMM or PLMM.

Program volume tiers 3, 4, or 5 will be assessed \$0.21 per contract for tier 1, \$0.15 per contract for tier [1]2, \$0.10 per contract for tier [2]3, \$0.05 per contract for tier [3]4, and \$0.03 per contract for tier [4]5 for transactions in standard options.

ii) – iv)      **No Change**

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