Required fields are shown with yellow backgrounds and asterisks.

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

Page 1 of * 29

File No. * SR 2022 - * 40

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 * ✓

Amendment * ☐

Withdrawal ☐

Section 19(b)(2) * ☐

Section 19(b)(3)(A) * ✓

Section 19(b)(3)(B) * ☐

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

Rule

☐ 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 FOK order and FOK eQuote references

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 * Greg

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 of 1934,   Miami International Securities Exchange, L
has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date   10/27/2022

By   Gregory P. Ziegler
                    (Name *)

(Title *)

Senior Counsel

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

Gregory Ziegler   Date: 2022.10.27
                                   15:19:54 -04'00'

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
SR-MIAX-2022-40 19b4.docx		

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
SR-MIAX-2022-40 - Exhibit 1.docx		

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 Advanced 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 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		
Add	Remove	View

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 Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire		
Add	Remove	View

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 Sent As Paper Document

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		
Add	Remove	View
SR-MIAX-2022-40 Exhibit 5.docx		

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")[1] and Rule 19b-4 thereunder,[2] proposes to remove the fill-or-kill ("FOK")[3] order type and fill or kill ("FOK") eQuotes[4] from the Exchange.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The proposed amendment to the Exchange's Rules 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 duly appointed designee pursuant to authority delegated by the MIAX Board of Directors on June 16, 2022. 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 Greg Ziegler, Vice President and Senior Counsel, at (609) 897-1483.

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

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

[2]   17 CFR 240.19b-4.

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

[4]   See Exchange Rule 517(a)(2)(v).

       a.   Purpose

The Exchange offers a number of different order types for use on the Exchange.[5] One of the order types the Exchange offers to Members[6] is a fill-or-kill ("FOK") order. 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 rotation process described in Rule 503.[7] Similarly, the Exchange offers a fill or kill ("FOK") eQuote which is an eQuote submitted by a Market Maker[8] 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 rotation process described in Rule 503.[9]

In Rule 516, Order Types Defined, the Exchange states it will issue a Regulatory Circular listing which order types, among the order types set forth in the Rule, are available.[10] Additionally, the rule provides that 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. Similarly, in Rule 517, Quote Types Defined, the Exchange states it will issue a Regulatory Circular listing which

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[5]   See Exchange Rule 516.

[6]   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.

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

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

[9]   See supra note 4.

[10]   See Exchange Rule 516.

quote types, among those quote types set forth in the Rule, are available.[11] Additionally, the rule

provides that Regulatory Circulars will also be issued when a quote type that had been in usage

on the Exchange will no longer be available for use. The Exchange determined that FOK orders

and FOK eQuotes were not order types or eQuote types that were being regularly used by

Members on the Exchange. In April of 2021, the Exchange issued Regulatory Circulars to

announce that FOK orders[12] and FOK eQuotes[13] would no longer be available for use on the

Exchange. Prior to undertaking the effort to remove FOK orders and FOK eQuotes completely

from the System,[14] the Exchange wanted to ensure that there were no unforeseen consequences

from disabling FOK orders and FOK eQuotes, hence the delay between disabling usage via

Regulatory Circular and formally removing the order type from use on the Exchange.

The Exchange now proposes to permanently remove the functionality from the

Exchange's System and to also remove references to FOK orders and FOK eQuotes from the

Exchange's Rulebook. Specifically, the Exchange proposes to eliminate references to FOK

orders and FOK eQuotes in the following Exchange Rules: Exchange Rule 308, Exemptions

from Position Limits; Rule 515, Execution of Orders and Quotes; Rule 516, Order Types

Defined; Rule 517, Quote Types Defined; Rule 529, Order Routing to Other Exchanges; Rule

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[11]   See Exchange Rule 517.

[12]   See MIAX 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.

[13]   See MIAX 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.

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

605, Market Maker Orders; and Rule 612, Aggregate Risk Manager (ARM). In connection with

the proposed change to remove references to FOK orders and FOK eQuotes from the Rulebook,

the Exchange also proposes to amend cross-references to other rules that need to be updated for

accuracy as a result of the removal of FOK orders and FOK eQuotes. These proposed changes

are non-substantive edits that are intended to harmonize the Rulebook with the System

functionality and provide consistency and clarity throughout the Rulebook.

First, the Exchange proposes to amend Exchange Rule 308(c)(vi)(A), to remove

paragraph (A) which contains a reference to a fill-or-kill instruction. The Exchange then

proposes to amend subparagraph (c)(vi)(B) to be renumbered to proposed paragraph (c)(vi)(A).

Next, the Exchange proposes to amend Exchange Rule 515, Execution of Orders and

Quotes, to remove references to FOK orders in subparagraph (c)(1) and subparagraph

(c)(3)(i)(E). Additionally, the Exchange proposes to remove the contents of paragraph (f) in its

entirety and mark the paragraph as reserved for future use. Also, within current subparagraph

515(g) the Exchange proposes to amend the cross-reference to Exchange Rule 517(a)(2)(vi) to

Rule 517(a)(2)(v). This proposed change reflects the proposed renumbering of Exchange Rule

517, discussed below, after the paragraph pertaining to fill or kill eQuotes is removed.

Next, the Exchange proposes to amend Exchange Rule 516, Order Types Defined, to

eliminate subparagraph (b)(2) in its entirety. The Exchange also proposes to adjust the

hierarchical numbering order to reflect the removal of current subparagraph (b)(2) by

renumbering current subparagraphs (b)(3) and (b)(4) to paragraphs (b)(2) and (b)(3),

respectively. The Exchange also proposes to amend Exchange Rule 510, Minimum Price

Variations and Minimum Trading Increments, to amend the cross-reference contained in

paragraph 510(b) from "Rule 516(b)(3)" to "Rule 516(b)(2)" to reflect the proposed renumbering of Exchange Rule 516, discussed above.

The Exchange also proposes to amend Exchange Rule 517, Quote Types Defined, to remove subparagraph (a)(2)(v) in its entirety. Also, as a result of the removal of this paragraph, the Exchange proposes to renumber current subparagraph (a)(2)(vi) to proposed subparagraph (a)(2)(v). Further, the Exchange proposes to eliminate subparagraph (d)(4) in its entirety. The Exchange then proposes to amend current subparagraphs (d)(5) and (d)(6) to renumber as proposed paragraphs (d)(4) and (d)(5), respectively.

The Exchange proposes to amend Exchange Rule 529, Order Routing to Other Exchanges, to remove the references to FOK orders and FOK eQuotes contained within subparagraph 529(b)(2)(iii).

The Exchange proposes to amend Exchange Rule 604(b)(1) by amending a cross-reference to current Rule 516(b)(3), non-displayed penny orders, to proposed Rule 516(b)(2). This amendment reflects the proposed re-numbering changes to the Rulebook resulting from removal of FOK orders as described above.

The Exchange also proposes to amend Exchange Rule 605, Market Maker Orders, by deleting the reference to fill-or-kill orders within Rule 605(a).

Lastly, the Exchange proposes to amend Exchange Rule 612, Aggregate Risk Manager (ARM), by removing references to FOK eQuotes within Interpretations and Policies .02(c).

b.   Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act[15] in general, and furthers the objectives of Section 6(b)(5) of the Act[16] 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 the proposed change 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 as the proposal removes an order type and a quote type infrequently used by the Exchange's Members. Removal of infrequently used functionality simplifies the operation of the Exchange's System, as the Exchange does not need to support and maintain order types and quote types that are not regularly used. Additionally, removing the reference to FOK orders and FOK eQuotes in the Exchange's Rulebook provides consistency and clarity throughout the Rulebook. Clarity and precision in the Exchange's Rulebook protects investors and the public by clearly enumerating the order types and eQuote types available for use on the Exchange.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes the proposed change will not impose any burden on intra-market

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[15]   15 U.S.C. 78f(b).

[16]   15 U.S.C. 78f(b)(5).

competition as the Exchange originally disabled FOK orders and FOK eQuotes via a Regulatory

Circular.[17] The Exchange now proposes to remove the functionality completely from the

Exchange's System and to update the Exchange's Rulebook accordingly. The Exchange does

not believe its proposal will impose any burden on intra-market competition as all Members are

equally affected as these order types and quote types were infrequently used and have been

unavailable for use on the Exchange since being disabled via Regulatory Circular.

The Exchange does not believe the proposal will impose any burden on inter-market

competition as not every option exchange offers FOK orders.[18] However, for those Members

that wish to use the FOK order type there are exchanges that will accept and process this order

type.[19]

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) of the Act[20] and Rule 19b-4(f)(6)[21] thereunder, the

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

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17   See supra notes 12 and 13.

18   BOX Options Exchange offers a Fill and Kill (FAK) order instruction but not fill-or-kill.
        See Box Options Exchange Rule 7110(e)(ii).

19   See Cboe Exchange Rule 5.6, and NYSE Arca Exchange Rule 6.91-O.

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

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

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.

The Exchange believes that the proposed changes do not affect the protection of investors

or the public interest as the Exchange is removing an order type and an eQuote type that is not

frequently used by Members and which has been unavailable for use on the Exchange since

April of 2021. Additionally, the Exchange believes its updates to the Rulebook will provide

greater clarity to Members and the public regarding the Exchange's Rules. Further, the

Exchange believes these proposed changes do not impose any significant burden on competition

because they apply evenly to all Exchange participants.

Therefore, the Exchange believes that the proposed rule change is well-suited for, and

meets the standards applicable to, the Commission's treatment of non-controversial proposals

under Section 19(b)(3)(A) of the Act[22] and Rule 19b-4(f)(6) thereunder.[23]

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.

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

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[22]   15 U.S.C. 78s(b)(3)(A).

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

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

Not applicable.

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.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-   ; File No. SR-MIAX-2022-40)

October _____, 2022

      Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange, LLC to Remove the Fill-Or-Kill ("FOK") Order Type and Fill Or Kill ("FOK") eQuotes from 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] notice is hereby given that on October 27, 2022, Miami International Securities Exchange, LLC ("MIAX Options" or the "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.   <u>Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change</u>

      The Exchange is filing a proposal to remove the fill-or-kill ("FOK")[3] order type and fill or kill ("FOK") eQuotes[4] from the Exchange.

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

http://www.miaxoptions.com/rule-filings/ at MIAX Options' principal office, and at the

Commission's Public Reference Room.

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

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

[2]   17 CFR 240.19b-4.

[3]   <u>See</u> Exchange Rule 516(b)(2).

[4]   <u>See</u> Exchange Rule 517(a)(2)(v).

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 offers a number of different order types for use on the Exchange.[5] One of

the order types the Exchange offers to Members[6] is a fill-or-kill ("FOK") order. 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 rotation

process described in Rule 503.[7] Similarly, the Exchange offers a fill or kill ("FOK") eQuote

which is an eQuote submitted by a Market Maker[8] 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

rotation process described in Rule 503.[9]

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[5]   See Exchange Rule 516.

[6]   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.

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

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

[9]   See supra note 4.

In Rule 516, Order Types Defined, the Exchange states it will issue a Regulatory Circular listing which order types, among the order types set forth in the Rule, are available.[10] Additionally, the rule provides that 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. Similarly, in Rule 517, Quote Types Defined, the Exchange states it will issue a Regulatory Circular listing which quote types, among those quote types set forth in the Rule, are available.[11] Additionally, the rule provides that Regulatory Circulars will also be issued when a quote type that had been in usage on the Exchange will no longer be available for use. The Exchange determined that FOK orders and FOK eQuotes were not order types or eQuote types that were being regularly used by Members on the Exchange. In April of 2021, the Exchange issued Regulatory Circulars to announce that FOK orders[12] and FOK eQuotes[13] would no longer be available for use on the Exchange. Prior to undertaking the effort to remove FOK orders and FOK eQuotes completely from the System,[14] the Exchange wanted to ensure that there were no unforeseen consequences from disabling FOK orders and FOK eQuotes, hence the delay between disabling usage via Regulatory Circular and formally removing the order type from use on the Exchange.

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[10]   See Exchange Rule 516.

[11]   See Exchange Rule 517.

[12]   See MIAX 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.

[13]   See MIAX 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.

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

The Exchange now proposes to permanently remove the functionality from the Exchange's System and to also remove references to FOK orders and FOK eQuotes from the Exchange's Rulebook. Specifically, the Exchange proposes to eliminate references to FOK orders and FOK eQuotes in the following Exchange Rules: Exchange Rule 308, Exemptions from Position Limits; Rule 515, Execution of Orders and Quotes; Rule 516, Order Types Defined; Rule 517, Quote Types Defined; Rule 529, Order Routing to Other Exchanges; Rule 605, Market Maker Orders; and Rule 612, Aggregate Risk Manager (ARM). In connection with the proposed change to remove references to FOK orders and FOK eQuotes from the Rulebook, the Exchange also proposes to amend cross-references to other rules that need to be updated for accuracy as a result of the removal of FOK orders and FOK eQuotes. These proposed changes are non-substantive edits that are intended to harmonize the Rulebook with the System functionality and provide consistency and clarity throughout the Rulebook.

First, the Exchange proposes to amend Exchange Rule 308(c)(vi)(A), to remove paragraph (A) which contains a reference to a fill-or-kill instruction. The Exchange then proposes to amend subparagraph (c)(vi)(B) to be renumbered to proposed paragraph (c)(vi)(A).

Next, the Exchange proposes to amend Exchange Rule 515, Execution of Orders and Quotes, to remove references to FOK orders in subparagraph (c)(1) and subparagraph (c)(3)(i)(E). Additionally, the Exchange proposes to remove the contents of paragraph (f) in its entirety and mark the paragraph as reserved for future use. Also, within current subparagraph 515(g) the Exchange proposes to amend the cross-reference to Exchange Rule 517(a)(2)(vi) to Rule 517(a)(2)(v). This proposed change reflects the proposed renumbering of Exchange Rule 517, discussed below, after the paragraph pertaining to fill or kill eQuotes is removed.

Next, the Exchange proposes to amend Exchange Rule 516, Order Types Defined, to eliminate subparagraph (b)(2) in its entirety. The Exchange also proposes to adjust the

hierarchical numbering order to reflect the removal of current subparagraph (b)(2) by renumbering current subparagraphs (b)(3) and (b)(4) to paragraphs (b)(2) and (b)(3), respectively. The Exchange also proposes to amend Exchange Rule 510, Minimum Price Variations and Minimum Trading Increments, to amend the cross-reference contained in paragraph 510(b) from "Rule 516(b)(3)" to "Rule 516(b)(2)" to reflect the proposed renumbering of Exchange Rule 516, discussed above.

The Exchange also proposes to amend Exchange Rule 517, Quote Types Defined, to remove subparagraph (a)(2)(v) in its entirety. Also, as a result of the removal of this paragraph, the Exchange proposes to renumber current subparagraph (a)(2)(vi) to proposed subparagraph (a)(2)(v). Further, the Exchange proposes to eliminate subparagraph (d)(4) in its entirety. The Exchange then proposes to amend current subparagraphs (d)(5) and (d)(6) to renumber as proposed paragraphs (d)(4) and (d)(5), respectively.

The Exchange proposes to amend Exchange Rule 529, Order Routing to Other Exchanges, to remove the references to FOK orders and FOK eQuotes contained within subparagraph 529(b)(2)(iii).

The Exchange proposes to amend Exchange Rule 604(b)(1) by amending a cross-reference to current Rule 516(b)(3), non-displayed penny orders, to proposed Rule 516(b)(2). This amendment reflects the proposed re-numbering changes to the Rulebook resulting from removal of FOK orders as described above.

The Exchange also proposes to amend Exchange Rule 605, Market Maker Orders, by deleting the reference to fill-or-kill orders within Rule 605(a).

Lastly, the Exchange proposes to amend Exchange Rule 612, Aggregate Risk Manager (ARM), by removing references to FOK eQuotes within Interpretations and Policies .02(c).

      2.   <u>Statutory Basis</u>

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act[15] in general, and furthers the objectives of Section 6(b)(5) of the Act[16] 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 the proposed change 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 as the proposal removes an order type and a quote type infrequently used by the Exchange's Members. Removal of infrequently used functionality simplifies the operation of the Exchange's System, as the Exchange does not need to support and maintain order types and quote types that are not regularly used. Additionally, removing the reference to FOK orders and FOK eQuotes in the Exchange's Rulebook provides consistency and clarity throughout the Rulebook. Clarity and precision in the Exchange's Rulebook protects investors and the public by clearly enumerating the order types and eQuote types available for use on the Exchange.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes the proposed change will not impose any burden on intra-market competition as the Exchange originally disabled FOK orders and FOK eQuotes via a Regulatory

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

16   15 U.S.C. 78f(b)(5).

Circular.[17] The Exchange now proposes to remove the functionality completely from the

Exchange's System and to update the Exchange's Rulebook accordingly. The Exchange does

not believe its proposal will impose any burden on intra-market competition as all Members are

equally affected as these order types and quote types were infrequently used and have been

unavailable for use on the Exchange since being disabled via Regulatory Circular.

The Exchange does not believe the proposal will impose any burden on inter-market

competition as not every option exchange offers FOK orders.[18] However, for those Members

that wish to use the FOK order type there are exchanges that will accept and process this order

type.[19]

      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

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[20] and

Rule 19b-4(f)(6)[21] thereunder.

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[17]   See supra notes 12 and 13.

[18]   BOX Options Exchange offers a Fill and Kill (FAK) order instruction but not fill-or-kill. See Box Options Exchange Rule 7110(e)(ii).

[19]   See Cboe Exchange Rule 5.6, and NYSE Arca Exchange Rule 6.91-O.

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

[21]   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,

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. Please include File Number SR-MIAX-2022-40 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-MIAX-2022-40. 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).

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or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-2022-40 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.[22]

                                              Vanessa Countryman
                                              Secretary

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[22]   17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

MIAMI INTERNATIONAL SECURITIES EXCHANGE, LLC Rules

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Rule 308. Exemptions from Position Limits

(a) – (b) No change.

(c) Firm Facilitation Exemption. To the extent that the following procedures and criteria are satisfied, a Member may receive and maintain for its proprietary account an exemption ("facilitation exemption") from the applicable standard position limit in non-multiply-listed options traded on the Exchange for the purpose of facilitating, pursuant to the provisions of Rule 520(b), (1) orders for its own Public Customer (one that will have the resulting position carried with the firm) or (2) orders received from or on behalf of a Public Customer for execution only against the Member firm's proprietary account.

    (i) – (v) No change.

    (vi) The facilitation firm shall comply with the following provision[s] regarding the execution of its Public Customer Order and its own facilitating order:

        [(A) neither order may be contingent on a "fill-or-kill" instruction.]

        [(B)](A) the orders must be executed pursuant to Rule 520(b).

    (vii) - (ix) No change.

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Rule 510. Minimum Price Variations and Minimum Trading Increments

(a) No change.

(b) **Minimum Trading Increments.** Minimum Trading Increments for dealings in option contracts other than the Minimum Price Variations specified in paragraph (a) may be fixed by the Exchange from time to time for option contracts of a particular series or class pursuant to Rules [516(b)(3)]516(b)(2) and 604(b)(1).

(c) No change.

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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 in Non-Proprietary Products**. 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 MBBO if the ABBO is crossing the MBBO. 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 MBBO if the ABBO is crossing the MBBO. 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 MBBO if the ABBO is crossing the MBBO, 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.

(2) No change.

(3) **Liquidity Refresh Pause for Exhausted Market Maker Quotes.** The System will pause the market for a time period not to exceed one second to allow additional orders or quotes refreshing the liquidity at the MBBO to be received ("liquidity refresh pause") when at the time of receipt or reevaluation of the initiating order by the System: (A) the initiating order is a limit order or market order whose (1) limit price crosses the NBBO and (2) could only be partially executed; (B) a Market Maker quote was all or part of the MBBO when the MBBO is alone at the NBBO; and (C) the Market Maker quote was exhausted.

At the start of the liquidity refresh pause, the System will broadcast a liquidity refresh message to subscribers of the Exchange's data feeds, providing a description of the option and the size and side of the order and the exhausted MBBO price. In addition, during the liquidity refresh pause the System will display the remainder of the initiating order at the exhausted MBBO price, and on the opposite side of the market, the Exchange's next bid (or offer) as non-firm (or in the absence thereof, a price of zero with a size of zero). If the NBBO was crossed when the initiating order was received, the System will continue to process the initiating order in accordance with paragraph (c) of this Rule and will not pause the market or broadcast a liquidity refresh message.

(i) **During the Liquidity Refresh Pause**. During the liquidity refresh pause the following provisions will apply:

(A) – (D) No change.

(E) If the Exchange receives an Immediate or Cancel ("IOC")[or a Fill or Kill ("FOK")] order on the same side of the market as the initiating order's remaining contracts, the System will immediately cancel the IOC[and FOK] order[s] unless the IOC[or FOK] order on the same side of the market as the initiating order locks or crosses the opposite side NBBO, in which case the liquidity refresh pause will be terminated early. If the liquidity refresh pause was terminated due to the receipt of an IOC[or FOK], the initiating order and any new order(s) or quote(s) on the same side of the market received during the liquidity refresh pause and the IOC[or FOK] will be processed in the order in which they were received, with the initiating order being processed first and the IOC[or FOK] being processed last;

(F) – (I) No change.

(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 is at the NBBO when an FOK order is received or reevaluated after the termination of a liquidity refresh pause 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 MBBO is not at the NBBO at the time the FOK order is received or reevaluated after the termination of a liquidity refresh pause or the FOK order is not fully executable against any orders or quotes in the System, the FOK order will be immediately cancelled.] Reserved

(g) **Handling of Intermarket Sweep Orders and Intermarket Sweep eQuote ("ISOs").** As defined in Rule 516(f) and Rule [517(a)(2)(vi)]517(a)(2)(v), ISOs are immediately executable in the System and are not eligible for routing to another exchange. As noted above, ISOs will not be handled in accordance with the price protection processes set forth in paragraph (c). The System will execute an ISO at multiple prices until (i) the ISO has been exhausted or its order has been completely filled; or (ii) the executions have reached the ISO's limit order price, whichever occurs first. Unexecuted contracts remaining from an ISO order will be immediately cancelled.

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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. 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.

(a) **Market Order.** A market order is an order to buy or sell a stated number of option contracts at the best price available at the time of execution.

(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 rotation process described in Rule 503.]

[(3)](2) **Non-displayed Penny Orders.** A non-displayed penny order is a limit order that specifies a one-cent price increment in an option contract that has a Minimum Price Variation pursuant to Rule 510 that is larger than one-cent. Non-displayed penny orders shall be available for execution at the stated limit price, but shall only be displayed to market participants and the public at the Minimum Price Variation for the option class. The displayed price of a non-displayed penny order will be the closest Minimum Price Variation that does not violate the limit price. The Exchange shall designate which qualifying option classes shall be eligible for non-displayed penny orders through the issuance of a Regulatory Circular. A limit order received by the Exchange with a limit price in a one cent increment will be rejected by the Exchange if the option contract is in a class that has an MPV pursuant to Rule 510 larger than one cent and has not been designated by the Exchange as being eligible for non-displayed penny orders. Notwithstanding the foregoing, limit orders that specify a one cent increment in an option contract eligible for a Minimum Price Variation pursuant to Rule 510(c) (i.e., the Penny Interval Program) will be displayed at its limit price in accordance with that program or if the limit price would lock or cross the NBBO, be handled in accordance with the managed interest process described in Rule 515(c)(1)(ii). There are no "non-displayed" penny orders in an option contract that has a one-cent Minimum Price Variation pursuant to Rule 510(c) (i.e., the Penny Interval Program).

[(4)](3) **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 MBBO 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.

(c) – (l) No change.

<p style="text-align:center">*****</p>

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. Not all of the quote 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 quote types, among those

quote types set forth below, are available. Additional Regulatory Circulars will be issued as additional quote types, among those quote types set forth below, become available for use on the Exchange. Regulatory Circulars will also be issued when a quote type that had been in usage on the Exchange will no longer be available for use.

(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) – (iv) No change.

        [(v) **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 rotation process described in Rule 503.]

        [(vi)](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 rotation 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;

[(4) Fill or Kill eQuote;]

[(5)](4) Immediate or Cancel Intermarket Sweep eQuote; and

[(6)](5) Settlement Auction Only eQuote (SAO eQuote) (as defined in Exchange Rule 503).

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Rule 529. Order Routing to Other Exchanges

The Exchange may automatically route orders to other exchanges under certain circumstances as described below and elsewhere in the rules ("Routing Services"). In connection with such services, the following shall apply:

(a) No change.

(b) **Route Mechanisms.** The Route Mechanisms described in this paragraph (b) will be used after the Exchange's opening process has been completed. Refer to Rule 503 for a description of the route procedure used during the opening process. One of two Route Mechanisms, Immediate Routing or the Route Timer, will be used when a Public Customer order is received and/or reevaluated that is both routable and marketable against the opposite side ABBO upon receipt and the Exchange's disseminated market is not equal to the opposite side ABBO, or is equal to the opposite side ABBO and of insufficient size to satisfy the order. The term initiating Public Customer order will be used in the following paragraphs to refer to the Public Customer order being handled by one of the Route Mechanisms. Non-Customer orders, contingent orders, and Do Not Route ("DNR") orders, as defined in Rule 516(g), are not eligible to be routed. Public Customer orders resting on the book will not initiate a route timer, but may be routed with an incoming Public Customer order that has initiated a Route Mechanism ("initiating order").

(1) No change.

(2) **Route Timer**.

(i) – (ii) No change

(iii) Orders (other than IOC[, FOK] and AOC) and quotes (other than IOC[, FOK] and AOC eQuotes) on the same side of the market will join the initiating order on the timer. IOC [and FOK]orders or eQuotes on the same side of the market will be cancelled by the System. AOC orders and eQuotes on the same side of the market will be rejected by the System. The System will add the new order or quote size to the MBBO size and disseminate the updated MBBO. If the NBBO becomes crossed during the Route Timer, the Route Timer will terminate immediately. At the end of the Route Timer, each same side order or quote will be handled in the order in which it was received by the Exchange. If at any point during the Route Timer the initiating order and all joining interest on the same side of the market is either traded in full or cancelled in full, the Route Timer will be terminated and normal trading will resume. In addition, if at any point during the

Route Timer a change in the ABBO would allow all or part of the initiating order and any joining interest on the same side of the market to trade on the Exchange at the revised NBBO, the Route Timer will be terminated and normal trading will resume.

(iv) No change.

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Rule 604. Market Maker Quotations

(a) No change.

(b) **Price and Size Associated with Quotes.** A Market Maker's bid and offer for a series of option contracts shall state a price accompanied by the number of contracts at that price the Market Maker is willing to buy or sell upon receipt of an order or upon interaction with a quotation entered by another Market Maker on the Exchange.

(1) **Price**. The price of Market Maker quotes shall be in the minimum trading increments applicable to the security under Rule 510; provided that, with respect to any security designated by the Exchange as available for non-displayed penny orders under Rule [516(b)(3)]516(b)(2), Market Maker quotes may be in one-cent increments. In such designated securities, quotes entered in one-cent increments will be firm as provided in paragraph (d) below, but shall only be displayed to Members and the public at the Minimum Price Variation (MPV) for the security. The displayed price of such quotes will be the closest MPV that is higher for offers and the closest MPV that is lower for bids.

(2) No change.

(c) – (f) No change.

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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 orders ("OPG"), auction or cancel orders ("AOC") orders, immediate-or-cancel orders, [fill-or-kill orders]and cAOC complex orders. Market Makers may not enter market orders or good 'til cancelled orders ("GTC") 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.

(b) – (d) No change.

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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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