

Required fields are shown with yellow backgrounds and asterisks.

Filing by MIAX PEARL, LLC
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

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

Description

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

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 * Chris Last Name * Solgan
 Title * Vice President, Senior Counsel
 E-mail * csolgan@miami-holdings.com
 Telephone * (609) 897-8494 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 09/22/2020 Vice President, Senior Counsel
 By Chris Solgan

(Name *)

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

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

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

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

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

Add Remove View

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

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

Add Remove View

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

Add Remove View

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

Add Remove View

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

Partial Amendment

Add Remove View

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

1. Text of the Proposed Rule Change

(a) MIAX PEARL, LLC (“MIAX PEARL” or the “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (the “Commission”) a proposed rule change to add certain rules applicable to the trading of equity securities to the list of minor rule violations in Rule 1014. This Amendment No. 1 to SR-PEARL-2020-15 replaces and supersedes SR-PEARL-2020-15 as originally filed in its entirety.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Chief Executive Officer of the Exchange pursuant to authority delegated by the MIAX PEARL Board of Directors on January 29, 2020. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority.

Questions and comments on the proposed rule change may be directed to Chris Solgan, Vice President and Senior Counsel, at (609) 897-8494.

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

a. Purpose

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

On December 13, 2016, the Commission issued an order granting the Exchange's application for registration as a national securities exchange.³ On February 6, 2020, the Commission published for public comment an Exchange proposal to adopt rules governing the trading of equity securities.⁴ On August 14, 2020, the Commission approved the Exchange's proposal to adopt rules governing the trading of equity securities.⁵ MIAX PEARL anticipates to begin trading equity securities on September 25, 2020. On December 21, 2017, the Commission issued an order declaring effective the Exchange's MRVP.⁶ The Exchange now proposes to add certain rules applicable to the trading of equity securities to the list of minor rule violations in Exchange Rule 1014.

Exchange Rule 1014 sets forth the list of rules under which a Member may be subject to a fine. Exchange Rule 1014 permits the Exchange to impose a fine of up to \$5,000 on any member or a person associated with or employed by a member for a minor violation of an eligible rule. The Exchange proposes to amend Exchange Rule 1014 to add certain rules applicable to the trading of equity securities to the list of rules eligible for disposition pursuant to a minor fine under Exchange Rule 1014.⁷

³ See Securities Exchange Act Release No. 79543 (December 13, 2016), 81 FR 92901 (December 20, 2016) (File No. 10-227).

⁴ See Securities Exchange Act Release No. 88132 (February 6, 2020), 85 FR 8053 (February 12, 2020) (SR-PEARL-2020-03).

⁵ See Securities Exchange Act Release No. 89563 (August 14, 2020), 85 FR 51510 (August 20, 2020) ("Approval Order").

⁶ See Securities Exchange Act Release No. 82385 (December 21, 2017), 82 FR 61613 (December 28, 2017) (File No. 4-715).

⁷ FINRA's maximum fine for minor rule violations under FINRA Rule 9216(b) is \$2,500. The Exchange will apply an identical maximum fine amount for eligible violations to achieve consistency with FINRA and also to amend its minor rule violation plan to include such fines. Like FINRA, the Exchange would be able to pursue a fine greater than \$2,500 for violations of Rules 2202, 2606(a)(1), 2623, 2624, and 2104 in a regular disciplinary proceeding or Letter of Consent under Rule 1003 as appropriate. Any fine

The Exchange proposes that, as set forth in proposed Exchange Rule 1014(d)(15), violations of the following rules would be appropriate for disposition under the MRVP: Rule 2202 and Interpretations thereunder (requiring the submission of responses to Exchange requests for trading data within specified time period); Rule 2623 (requirement to identify short sale orders as such); Rule 2624 (requirement to comply with locked and crossed market rules); Rule 2104 (Communications with the Public); Rule 2202 and Interpretations thereunder (related to the requirement to furnish Exchange-related order, market and transaction data, as well as financial or regulatory records and information); and Rule 2606(a)(1) (requirements for Equities Market Makers to maintain continuous two-sided quotations).⁸

Violations of Exchange Rules 2202, Preamble (requiring the submission of responses to Exchange requests for trading data within specified time period), 2623, 2624, and 2104 would be subject to the following fines:

Occurrence*	Individual	Member Firm
First time fined	\$100	\$500

imposed in excess of \$2,500 or not otherwise covered by Rule 19d-1(c)(2) of the Act would be subject to prompt notice to the Commission pursuant to Rule 19d-1 under the Act.

⁸ MEMX, LLC's ("MEMX") proposal to adopt a MRVP includes MEMX Rule 12.11 Interpretations and Policy .01 and Exchange Act Rule 604 (failure to properly display limit orders) MEMX Rules 4.5 through 4.16 (Consolidated Audit Trail Compliance Rules). See Securities Exchange Act Release No. 89485 (August 5, 2020), 85 FR 48577 (August 11, 2020) (File No. 4-764). The Exchange notes that it recently amended Exchange Rule 1014 to include Chapter XVII, its Consolidated Order Trail Compliance Rule. See Securities Exchange Act Release No. 89166 (June 26, 2020), 85 FR 39943 (July 2, 2020) (SR-PEARL-2020-07). The Exchange Rules does not include a rule identical to MEMX Rule 12.11.01 that could be included in this proposal. The Exchange notes that MEMX Rule 12.11.01 simply refers to their member's existing obligations under Exchange Act Rule 604 and a similar rule is also not included in Long Term Stock Exchange, Inc.'s ("LTSE") MRVP. See Securities Exchange Act Release Nos. 87415 (October 29, 2019), 84 FR 59427 (November 4, 2019) (File No. 4-753).

Second time fined	\$300	\$1,000
Third time fined	\$500	\$2,500

* Within a “rolling” 12-month period.

Violations of Exchange Rules 2202, Interpretation .01 (related to the requirement to furnish Exchange-related order, market and transaction data, as well as financial or regulatory records and information) and 2606(a)(1) would be subject to fines \$100 per violation. The Exchange notes that these proposed fine levels are based on those approved for LTSE and proposed by MEMX.⁹

b. Statutory Basis

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

Minor rule fines provide a meaningful sanction for minor or technical violations of rules when the conduct at issue does not warrant stronger, immediately reportable disciplinary sanctions. The inclusion of a rule in the Exchange’s MRVP does not minimize the importance of compliance with the rule, nor does it preclude the Exchange from choosing to pursue violations of eligible rules through a Letter of Consent if the nature of the violations or prior disciplinary

⁹ Id.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

history warrants more significant sanctions. Rather, the Exchange believes that the proposed rule change will strengthen the Exchange's ability to carry out its oversight and enforcement responsibilities in cases where full disciplinary proceedings are unwarranted in view of the minor nature of the particular violation. Rather, the option to impose a minor rule sanction gives the Exchange additional flexibility to administer its enforcement program in the most effective and efficient manner while still fully meeting the Exchange's remedial objectives in addressing violative conduct. Specifically, the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because it will provide the Exchange the ability to issue a minor rule fine for violations of certain rules related to the trading of equity securities where a more formal disciplinary action may not be warranted or appropriate consistent with the approach of other exchanges for the same conduct.

In connection with the fine level specified in the proposed rule change, adding language describing the fine levels would further the goal of transparency and add clarity to the Exchange's rules. Adopting the same caps as MEMX and LTSE for minor rule fines in connection with the included rules applicable to the trading of equity securities would also promote regulatory consistency across self-regulatory organizations.

The Exchange further believes that the proposed amendments to Rule 1014 are consistent with Section 6(b)(6) of the Act,¹² which provides that members and persons associated with members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction. As noted, the proposed rule change would provide the Exchange ability to sanction

¹² 15 U.S.C. 78f(b)(6).

minor or technical violations of certain rules applicable to the trading of equity securities pursuant to the Exchange's rules.

Finally, the Exchange also believes that the proposed changes are designed to provide a fair procedure for the disciplining of members and persons associated with members, consistent with Sections 6(b)(7) and 6(d) of the Act.¹³ Rule 1014 does not preclude a member or a person associated with or employed by a member from contesting an alleged violation and receiving a hearing on the matter with the same procedural rights through a litigated disciplinary proceeding.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with making certain equity related rules eligible for a minor rule fine disposition, thereby strengthening the Exchange's ability to carry out its oversight and enforcement functions and deter potential violative conduct.

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)

The Exchange requests the Commission to find good cause pursuant to Section 19(b)(2) of the Act for approving the proposed rule change, as amended by Amendment No. 1, prior to

¹³ 15 U.S.C. 78f(b)(7) and 78f(d).

the 30th day after its publication in the Federal Register in order to allow the change to take effect in line with the Exchange's commencement of the trading of equity securities on September 25, 2020. The Exchange believes accelerated approval will facilitate more efficient, effective, and coordinated enforcement of the Exchange's rules as it begins trading equity securities. Further, the Exchange believes that accelerated approval is appropriate given the proposed rule change is consistent with LTSE's minor rule violation plan¹⁴

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

This proposal is based upon LTSE Rule 2.250.¹⁵

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.

¹⁴ See supra note 8.

¹⁵ Id.

EXHIBIT 1SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-PEARL-2020-15)

____, 2020

Self-Regulatory Organizations: Notice of Filing of a Proposed Rule Change by MIAX PEARL, LLC to Amend Exchange Rule 1014, Imposition of Fines for Minor Rule Violations, to add Certain Rules Applicable to the Trading of Equity Securities

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____, 2020, MIAX PEARL, LLC (“MIAX PEARL” 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. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is filing a change to add certain rules applicable to the trading of equity securities to the list of minor rule violations in Rule 1014. This Amendment No. 1 to SR-PEARL-2020-15 replaces and supersedes SR-PEARL-2020-15 as originally filed in its entirety.

The text of the proposed rule change is available on the Exchange’s website at <http://www.miaxoptions.com/rule-filings/pearl> at MIAX PEARL’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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

On December 13, 2016, the Commission issued an order granting the Exchange's application for registration as a national securities exchange.³ On February 6, 2020, the Commission published for public comment an Exchange proposal to adopt rules governing the trading of equity securities.⁴ On August 14, 2020, the Commission approved the Exchange's proposal to adopt rules governing the trading of equity securities.⁵ MIAX PEARL anticipates to begin trading equity securities on September 25, 2020. On December 21, 2017, the Commission issued an order declaring effective the Exchange's MRVP.⁶ The Exchange now proposes to add certain rules applicable to the trading of equity securities to the list of minor rule violations in Exchange Rule 1014.

Exchange Rule 1014 sets forth the list of rules under which a Member may be subject to a fine. Exchange Rule 1014 permits the Exchange to impose a fine of up to \$5,000 on any

³ See Securities Exchange Act Release No. 79543 (December 13, 2016), 81 FR 92901 (December 20, 2016) (File No. 10-227).

⁴ See Securities Exchange Act Release No. 88132 (February 6, 2020), 85 FR 8053 (February 12, 2020) (SR-PEARL-2020-03).

⁵ See Securities Exchange Act Release No. 89563 (August 14, 2020), 85 FR 51510 (August 20, 2020) ("Approval Order").

⁶ See Securities Exchange Act Release No. 82385 (December 21, 2017), 82 FR 61613 (December 28, 2017) (File No. 4-715).

member or a person associated with or employed by a member for a minor violation of an eligible rule. The Exchange proposes to amend Exchange Rule 1014 to add certain rules applicable to the trading of equity securities to the list of rules eligible for disposition pursuant to a minor fine under Exchange Rule 1014.⁷

The Exchange proposes that, as set forth in proposed Exchange Rule 1014(d)(15), violations of the following rules would be appropriate for disposition under the MRVP: Rule 2202 and Interpretations thereunder (requiring the submission of responses to Exchange requests for trading data within specified time period); Rule 2623 (requirement to identify short sale orders as such); Rule 2624 (requirement to comply with locked and crossed market rules); Rule 2104 (Communications with the Public); Rule 2202 and Interpretations thereunder (related to the requirement to furnish Exchange-related order, market and transaction data, as well as financial or regulatory records and information); and Rule 2606(a)(1) (requirements for Equities Market Makers to maintain continuous two-sided quotations).⁸

⁷ FINRA's maximum fine for minor rule violations under FINRA Rule 9216(b) is \$2,500. The Exchange will apply an identical maximum fine amount for eligible violations to achieve consistency with FINRA and also to amend its minor rule violation plan to include such fines. Like FINRA, the Exchange would be able to pursue a fine greater than \$2,500 for violations of Rules 2202, 2606(a)(1), 2623, 2624, and 2104 in a regular disciplinary proceeding or Letter of Consent under Rule 1003 as appropriate. Any fine imposed in excess of \$2,500 or not otherwise covered by Rule 19d-1(c)(2) of the Act would be subject to prompt notice to the Commission pursuant to Rule 19d-1 under the Act.

⁸ MEMX, LLC's ("MEMX") proposal to adopt a MRVP includes MEMX Rule 12.11 Interpretations and Policy .01 and Exchange Act Rule 604 (failure to properly display limit orders) MEMX Rules 4.5 through 4.16 (Consolidated Audit Trail Compliance Rules). See Securities Exchange Act Release No. 89485 (August 5, 2020), 85 FR 48577 (August 11, 2020) (File No. 4-764). The Exchange notes that it recently amended Exchange Rule 1014 to include Chapter XVII, its Consolidated Order Trail Compliance Rule. See Securities Exchange Act Release No. 89166 (June 26, 2020), 85 FR 39943 (July 2, 2020) (SR-PEARL-2020-07). The Exchange Rules does not include a rule identical to MEMX Rule 12.11.01 that could be included in this proposal. The Exchange notes that MEMX Rule 12.11.01 simply refers to their member's existing obligations under Exchange Act Rule 604 and a similar rule is also not included in Long Term Stock

Violations of Exchange Rules 2202, Preamble (requiring the submission of responses to Exchange requests for trading data within specified time period), 2623, 2624, and 2104 would be subject to the following fines:

Occurrence*	Individual	Member Firm
First time fined	\$100	\$500
Second time fined	\$300	\$1,000
Third time fined	\$500	\$2,500

* Within a “rolling” 12-month period.

Violations of Exchange Rules 2202, Interpretation .01 (related to the requirement to furnish Exchange-related order, market and transaction data, as well as financial or regulatory records and information) and 2606(a)(1) would be subject to fines \$100 per violation. The Exchange notes that these proposed fine levels are based on those approved for LTSE and proposed by MEMX.⁹

2. Statutory Basis

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

Exchange, Inc.’s (“LTSE”) MRVP. See Securities Exchange Act Release Nos. 87415 (October 29, 2019), 84 FR 59427 (November 4, 2019) (File No. 4-753).

⁹ Id.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

Minor rule fines provide a meaningful sanction for minor or technical violations of rules when the conduct at issue does not warrant stronger, immediately reportable disciplinary sanctions. The inclusion of a rule in the Exchange's MRVP does not minimize the importance of compliance with the rule, nor does it preclude the Exchange from choosing to pursue violations of eligible rules through a Letter of Consent if the nature of the violations or prior disciplinary history warrants more significant sanctions. Rather, the Exchange believes that the proposed rule change will strengthen the Exchange's ability to carry out its oversight and enforcement responsibilities in cases where full disciplinary proceedings are unwarranted in view of the minor nature of the particular violation. Rather, the option to impose a minor rule sanction gives the Exchange additional flexibility to administer its enforcement program in the most effective and efficient manner while still fully meeting the Exchange's remedial objectives in addressing violative conduct. Specifically, the proposed rule change is designed to prevent fraudulent and manipulative acts and practices because it will provide the Exchange the ability to issue a minor rule fine for violations of certain rules related to the trading of equity securities where a more formal disciplinary action may not be warranted or appropriate consistent with the approach of other exchanges for the same conduct.

In connection with the fine level specified in the proposed rule change, adding language describing the fine levels would further the goal of transparency and add clarity to the Exchange's rules. Adopting the same caps as MEMX and LTSE for minor rule fines in connection with the included rules applicable to the trading of equity securities would also promote regulatory consistency across self-regulatory organizations.

The Exchange further believes that the proposed amendments to Rule 1014 are consistent

with Section 6(b)(6) of the Act,¹² which provides that members and persons associated with members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction. As noted, the proposed rule change would provide the Exchange ability to sanction minor or technical violations of certain rules applicable to the trading of equity securities pursuant to the Exchange's rules.

Finally, the Exchange also believes that the proposed changes are designed to provide a fair procedure for the disciplining of members and persons associated with members, consistent with Sections 6(b)(7) and 6(d) of the Act.¹³ Rule 1014 does not preclude a member or a person associated with or employed by a member from contesting an alleged violation and receiving a hearing on the matter with the same procedural rights through a litigated disciplinary proceeding.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with making certain equity related rules eligible for a minor rule fine disposition, thereby strengthening the Exchange's ability to carry out its oversight and enforcement functions and deter potential violative conduct.

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.

¹² 15 U.S.C. 78f(b)(6).

¹³ 15 U.S.C. 78f(b)(7) and 78f(d).

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) by order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be 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:rule-comments@sec.gov). Please include File Number SR-PEARL-2020-15 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-PEARL-2020-15. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-PEARL-2020-15 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.¹⁴

Vanessa Countryman
Secretary

¹⁴ 17 CFR 200.30-3(a)(12).

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

MIAX PEARL, LLC Rules

Rule 1014. Imposition of Fines for Minor Rule Violations

(a) - (c) No change.

(d) **Violations Subject to Fines.** The following is a list of the rule violations subject to, and the applicable sanctions that may be imposed by the Exchange pursuant to, this Rule:

(1) - (14) No change.

(15) List of Exchange Rule Violations and Recommended Fine Schedule for Violations of Certain Rules Related to the Trading of Equity Securities

Recommended Fine Schedule – Rule 1014(d)(15)(A) – (D)

<u>Occurrence*</u>	<u>Individual</u>	<u>Member Firm</u>
<u>First time fined</u>	<u>\$100</u>	<u>\$500</u>
<u>Second time fined</u>	<u>\$300</u>	<u>\$1,000</u>
<u>Third time fined</u>	<u>\$500</u>	<u>\$2,500</u>

* Within a “rolling” 12-month period.

(A) Rule 2202, Preamble, requiring the submission of responses to Exchange requests for trading data within a specified time period.

(B) Rule 2623 requirement to identify short sale orders as such.

(C) Rule 2624 requirement to comply with the locked and crossed market rules.

(D) Rule 2104 Communications with the Public

Recommended Fine Amount for 1014(d)(15)(E) – (F): \$100 per violation.

(E) Rule 2202, Interpretation .01 related to the requirement to furnish Exchange-related order, market, and transaction data, as well as financial or regulatory records and information.

(F) Rule 2606(a)(1) requirement for Equities Market Makers to maintain continuous two-sided quotations.
