

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 41

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

File No. \* SR 2024 - \* 50

Amendment No. (req. for Amendments \*)

Filing by MIAX PEARL, LLC

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

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
---	--------------------------------------	-------------------------------------	---	---	--

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

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010  
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 \*).

Proposal to amend the MIAX Pearl Equities Fee Schedule to amend the rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume.

**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 \* Michael Last Name \* Slade

Title \* AVP, Associate Counsel

E-mail \* mslade@miaxglobal.com

Telephone \* (609) 955-0460 Fax

**Signature**

Pursuant to the requirements of the Securities Exchange of 1934, MIAX PEARL, LLC has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 10/31/2024

(Title \*)

By Michael Slade

AVP, Associate Counsel

(Name \*)

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.

*Michael Slade* Date: 2024.10.31 09:23:45 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add	Remove	View
SR-PEARL-2024-50 - 19b4 (10-30-20)		

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-PEARL-2024-50 - 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 \***

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 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-PEARL-2024-50 - 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) MIAX PEARL, LLC (“MIAX Pearl” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to amend the fee schedule (the “Fee Schedule”) applicable to MIAX Pearl Equities, an equities trading facility of the Exchange.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the applicable section of the Fee Schedule is attached hereto as Exhibit 5.

(b) Inapplicable.

(c) Inapplicable.

## 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Chief Executive Officer of the Exchange or his designee pursuant to authority delegated by the MIAX Pearl Board of Directors on January 19, 2024. 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 changes may be directed to Michael Slade, AVP, Associate Counsel, at (609) 955-0460.

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

a. Purpose

---

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

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

The Exchange proposes to amend the Fee Schedule to decrease the rebates for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity (“Added Displayed Volume”) to the Exchange across all Tapes.

### Background

Currently, the Exchange offers a standard rebate of (\$0.0022)<sup>3</sup> per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes.<sup>4</sup> The Exchange also offers enhanced rebates pursuant to the NBBO Setter Plus Program (referred to in this filing as the “NBBO Program”)<sup>5</sup> for Equity Members<sup>6</sup> that add displayed liquidity in securities priced at or above \$1.00 per share in all Tapes based on increasing volume thresholds and increasing market quality levels (described below). The NBBO Program was implemented beginning September 1, 2023 and subsequently amended several times.<sup>7</sup>

Pursuant to the NBBO Setter Plus Table in Section 1)c) of the Fee Schedule, the NBBO Program provides six volume tiers enhanced by three market quality levels to provide increasing rebates in this segment. The six volume tiers are achievable by greater volume from the best of four alternative methods. The three market quality levels are achievable by greater NBBO participation in a minimum number of specific securities (described below).

---

<sup>3</sup> Rebates are indicated by parentheses. See the General Notes section of the Fee Schedule.

<sup>4</sup> See Fee Schedule, Section 1)a); see also Fee Schedule, Section 1)b), Liquidity Indicator Codes “AA”, “AB”, and “AC”.

<sup>5</sup> See, generally, Fee Schedule, Section 1)c).

<sup>6</sup> The term “Equity Member” is a Member authorized by the Exchange to transact business on MIA X Pearl Equities. See Exchange Rule 1901.

<sup>7</sup> See, e.g., Securities Exchange Act Release Nos. 98472 (September 21, 2023), 88 FR 66533 (September 27, 2023) (SR-PEARL-2023-45); 99318 (January 11, 2024), 89 FR 3488 (January 18, 2024) (SR-PEARL-2023-73); 99695 (March 8, 2024), 89 FR 18694 (March 14, 2024) (SR-PEARL-2024-11).

MIAX Pearl Equities first determines the applicable NBBO Program tier based on four different volume calculation methods. The four volume-based methods to determine the Equity Member's tier for purposes of the NBBO Program are calculated in parallel in each month, and each Equity Member receives the highest tier achieved from any of the four methods each month. All four volume calculation methods are based on an Equity Member's respective ADAV,<sup>8</sup> NBBO Set Volume, or ADV, each as a percent of industry TCV<sup>9</sup> as the denominator.

Under volume calculation Method 1, the Exchange provides tiered rebates based on an Equity Member's ADAV as a percentage of TCV. An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.00% and less than 0.035% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.035% and less than 0.05% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.05% and less than 0.08% of TCV. An Equity Member qualifies

---

<sup>8</sup> "ADAV" means average daily added volume calculated as the number of shares added per day and "ADV" means average daily volume calculated as the number of shares added or removed, combined, per day. ADAV and ADV are calculated on a monthly basis. "NBBO Set Volume" means the ADAV in all securities of an Equity Member that sets the NBB or NBO on MIAX Pearl Equities. See the Definitions section of the Fee Schedule. The Exchange excludes from its calculation of ADAV, ADV, and TCV, and for the purpose of determining qualification for the rebates described in all Levels of the Market Quality Tier columns in the NBBO Setter Plus Program: (1) any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours; (2) any day with a scheduled early market close; (3) the "Russell Reconstitution Day" (typically the last Friday in June); (4) any day that the MSCI Equities Indexes are rebalanced (i.e., on a quarterly basis); and (5) any day that the S&P 400, S&P 500, and S&P 600 Indexes are rebalanced (i.e., on a quarterly basis). See the General Notes section of the Fee Schedule.

<sup>9</sup> "TCV" means total consolidated volume calculated as the volume in shares reported by all exchanges and reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. See the Definitions section of the Fee Schedule.

for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.08% and less than 0.20% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.20% and less than 0.40% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.40% of TCV.

Under volume calculation Method 2, the Exchange provides tiered rebates based on an Equity Member's NBBO Set Volume as a percentage of TCV. Under volume calculation Method 2, an Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.00% and less than 0.01% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.01% and less than 0.015% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.015% and less than 0.02% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.02% and less than 0.03% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed

Volume across all Tapes by achieving an NBBO Set Volume of at least 0.03% and less than 0.08% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.08% of TCV.

Under volume calculation Method 3, the Exchange provides tiered rebates based on an Equity Member's ADV as a percentage of TCV. An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.00% and less than 0.15% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.15% and less than 0.18% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.18% and less than 0.20% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.20% and less than 0.60% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.60% and less than 1.00% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 1.00% of TCV.

Under volume calculation Method 4, the Exchange provides tiered rebates based on an Equity Member's ADAV as a percentage of TCV, excluding executions of orders in securities priced below \$1.00 per share across all Tapes from the calculation of both the numerator (ADAV) and denominator (TCV). An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.00% and less than 0.035% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.035% and less than 0.05% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.05% and less than 0.08% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.08% and less than 0.20% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.20% and less than 0.40% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per



share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.40% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes.

After the volume calculation is performed to determine highest tier achieved by the Equity Member, the applicable rebate is calculated based on two different measurements based on the Equity Member's participation at the NBBO on the Exchange in certain securities (referenced below).

The Exchange provides one column of base rebates (referred to in the NBBO Program table as "Level A") and two columns of enhanced rebates (referred to in the NBBO Program table as "Level B" and "Level C")<sup>10</sup>, depending on the Equity Member's Percent Time at NBBO<sup>11</sup> on MIAX Pearl Equities in a certain amount of specified securities ("Market Quality Securities" or "MQ Securities").<sup>12</sup> The NBBO Setter Plus Table specifies the percentage of time that the Equity Member must be at the NBB or NBO on MIAX Pearl Equities in at least 200 symbols out of the full list of 1,000 MQ Securities (which symbols may vary from time to time based on market conditions). The list of MQ Securities is generally based on the top multi-listed

---

<sup>10</sup> The Exchange excludes from its calculation of ADAV, ADV, and TCV, and for the purpose of determining qualification for the rebates described in all Levels of the Market Quality Tier columns in the NBBO Setter Plus Program: (1) any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours; (2) any day with a scheduled early market close; (3) the "Russell Reconstitution Day" (typically the last Friday in June); (4) any day that the MSCI Equities Indexes are rebalanced (i.e., on a quarterly basis); and (5) any day that the S&P 400, S&P 500, and S&P 600 Indexes are rebalanced (i.e., on a quarterly basis). See the General Notes section of the Fee Schedule.

<sup>11</sup> "Percent Time at NBBO" means the aggregate of the percentage of time during regular trading hours where a Member has a displayed order of at least one round lot at the national best bid ("NBB") or national best offer ("NBO"). See the Definitions section of the Fee Schedule.

<sup>12</sup> "Market Quality Securities" or "MQ Securities" shall mean a list of securities designated as such, that are used for the purposes of qualifying for the rebates described in Level B and Level C of the Market Quality Tier columns in the NBBO Setter Plus Program. The universe of these securities will be determined by the Exchange and published on the Exchange's website. See id.

1,000 symbols by ADV across all U.S. securities exchanges. The list of MQ Securities is updated monthly by the Exchange and published on the Exchange's website.<sup>13</sup>

The base rebates ("Level A") are as follows: (\$0.00220) per share in Tier 1; (\$0.00290) per share in Tier 2; (\$0.00300) per share in Tier 3; (\$0.00310) per share in Tier 4; (\$0.00335) per share in Tier 5; and (\$0.00340) per share in Tier 6. Under Level B, the Exchange provides enhanced rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes if the Equity Member's Percent Time at NBBO is at least 25% and less than 50% in at least 200 MQ Securities per trading day during the month. The Level B rebates are as follows: (\$0.00225) per share in Tier 1; (\$0.00295) per share in Tier 2; (\$0.00305) per share in Tier 3; (\$0.00315) per share in Tier 4; (\$0.00340) per share in Tier 5; and (\$0.00345) per share in Tier 6. Under Level C, the Exchange provides enhanced rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes if the Equity Member's Percent Time at NBBO is at least 50% in at least 200 MQ Securities per trading day during the month. The Level C rebates are as follows: (\$0.00230) per share in Tier 1; (\$0.00300) per share in Tier 2; (\$0.00310) per share in Tier 3; (\$0.00320) per share in Tier 4; (\$0.00345) per share in Tier 5<sup>14</sup>; and (\$0.00350) per share in Tier 6.

---

<sup>13</sup> See e.g., MIA X Pearl Equities Exchange – Market Quality Securities (MQ Securities) List, effective October 1 through October 31, 2024, available at <https://www.miaxglobal.com/markets/us-equities/pearl-equities/fees> (last visited October 30, 2024).

<sup>14</sup> Equity Members may also qualify for the Tier 5, Level C enhanced rebate via an alternative method by satisfying the following three requirements in the relevant month: (1) Midpoint ADAV of at least 2,500,000 shares; (2) Displayed ADAV of at least 10,000,000 shares; and (3) Percent Time at the NBB or NBO of at least 50% in 200 or more symbols from the list of MQ Securities. See Fee Schedule, Section 1)c), Notes to NBBO Setter Plus Table, note 3. Midpoint ADAV means the ADAV for the current month consisting of Midpoint Peg Orders in securities priced at or above \$1.00 per share that execute at the midpoint of the Protected NBBO and add liquidity to the Exchange. A Midpoint Peg Order is a non-displayed Limit Order that is assigned a working price pegged to the midpoint of the PBBO. A Midpoint Peg Order receives a new timestamp each time its working price changes in response to changes in the midpoint of the PBBO.

The Exchange offers an NBBO Setter Additive Rebate,<sup>15</sup> which is an additive rebate of (\$0.0004) per share for executions of orders in securities priced at or above \$1.00 per share that set the NBB or NBO<sup>16</sup> upon entry on MIAX Pearl Equities with a minimum size of a round lot.<sup>17</sup> The Exchange also offers an NBBO First Joiner Rebate, which is an additive rebate of (\$0.0002) per share for executions of orders in securities priced at or above \$1.00 per share that bring MIAX Pearl Equities to the established NBB or NBO with a minimum size of a round lot.<sup>18</sup>

### Proposal

The Exchange proposes to reduce the standard rebate for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes. Currently, the Exchange provides a standard rebate of (\$0.0022) per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes. The Exchange now proposes to reduce the standard rebate for executions of Added Displayed Volume in securities priced at or above \$1.00 per share from (\$0.0022) to (\$0.0021) per share for all Tapes.<sup>19</sup> Accordingly, the Exchange proposes to amend Section 1)a), Standard Rates, to reflect this proposed change and amend Section 1)b), Liquidity Indicator Codes and

---

See Exchange Rule 2614(a)(3). With respect to the trading of equity securities, the term “the term “Protected NBB” or “PBB” shall mean the national best bid that is a Protected Quotation, the term “Protected NBO” or “PBO” shall mean the national best offer that is a Protected Quotation, and the term “Protected NBBO” or “PBBO” shall mean the national best bid and offer that is a Protected Quotation. See Exchange Rule 1901.

<sup>15</sup> See Fee Schedule, Section 1)c), NBBO Setter Additive Rebate.

<sup>16</sup> With respect to the trading of equity securities, the term “NBB” shall mean the national best bid, the term “NBO” shall mean the national best offer, and the term “NBBO” shall mean the national best bid and offer. See Exchange Rule 1901.

<sup>17</sup> See Fee Schedule, Section 1)c).

<sup>18</sup> See Fee Schedule, Section 1)c), NBBO First Joiner Additive Rebate.

<sup>19</sup> See Fee Schedule, Section 1)a), Standard Rates, for the standard pricing for executions of Added Displayed Volume, among other rates.

Associated Fees, to reflect the corresponding changes to the applicable Liquidity Indicator Codes, AA, AB and AC.

Next, the Exchange proposes to amend the NBBO Setter Plus Table in Section 1)c) of the Fee Schedule to decrease the rebates for all tiers by (\$0.0001) per share for all rebate levels of the NBBO Program. With the proposed changes, the Level A rebates will be as follows: (\$0.00210) per share in Tier 1; (\$0.00280) per share in Tier 2; (\$0.00290) per share in Tier 3; (\$0.00300) per share in Tier 4; (\$0.00325) per share in Tier 5; and (\$0.00330) per share in Tier 6. The Level B rebates will be as follows: (\$0.00215) per share in Tier 1; (\$0.00285) per share in Tier 2; (\$0.00295) per share in Tier 3; (\$0.00305) per share in Tier 4; (\$0.00330) per share in Tier 5; and (\$0.00335) per share in Tier 6. The Level C rebates will be as follows: (\$0.00220) per share in Tier 1; (\$0.00290) per share in Tier 2; (\$0.00300) per share in Tier 3; (\$0.00310) per share in Tier 4; (\$0.00335) per share in Tier 5; and (\$0.00340) per share in Tier 6.

The Exchange does not propose to amend any of volume calculation methods used to determine the Equity Member's tier for purposes of the NBBO Program, which will continue to be calculated in parallel in each month, and each Equity Member will continue to receive the highest tier achieved from any of the four methods each month.<sup>20</sup> The Exchange also does not propose to amend the different measurements to calculate an Equity Member's participation at the NBBO on the Exchange in Market Quality Securities under the NBBO Program.

The purpose of reducing the standard rebate for executions of Added Displayed Volume is for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that despite the modest reduction proposed herein, the proposed standard rebate

---

<sup>20</sup> The Exchange does not propose to amend the alternative volume calculation method for Equity Members to quality for the Tier 5, Level C enhanced rebate, as proposed to be reduced.

for executions of Added Displayed Volume (i.e., (\$0.0021) per share) remains higher than, and competitive with, the standard rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>21</sup>

The purpose of reducing the enhanced rebates for executions of Added Displayed Volume for all tiers and market quality levels of the NBBO Program is for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that, even with the proposed decrease in the NBBO Program rebates, the base rebates and enhanced rebates of the NBBO Program remain competitive with, or higher than, the rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>22</sup>

### Implementation

The proposed changes are effective beginning November 1, 2024.

#### b. Statutory Basis

---

<sup>21</sup> See e.g., MEMX LLC Equities Fee Schedule, Transaction fees (last visited October 22, 2024), [available at https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/](https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/) (providing standard rebate of (\$0.0015) per share for executions of orders in securities priced at or above \$1.00 per share across all tapes); see also Cboe BZX Equities Fee Schedule, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/bzx/](https://www.cboe.com/us/equities/membership/fee_schedule/bzx/) (providing a standard rebate of (\$0.0016) per share for adding displayed liquidity in securities priced at or above \$1.00 per share).

<sup>22</sup> See Cboe BZX Equities Fee Schedule, Add/Remove Volume Tiers section, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/bzx/](https://www.cboe.com/us/equities/membership/fee_schedule/bzx/) (providing an enhanced rebates ranging from (\$0.0020) to (\$0.0032) per share for executions of added displayed volume in securities priced at or above \$1.00 per share, so long as the member meets certain volume requirements, including, for tier 4, minimum NBBO Time and NBBO Size requirements from a list of specified securities and minimum requirement of ADAV as a percentage of TCV); see also Cboe EDGX Equities Fee Schedule, Add/Remove Volume Tiers section, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/) (providing an enhanced rebates ranging from (\$0.0020) to (\$0.0034) per share for executions of added displayed volume in securities priced at or above \$1.00 per share, so long as the member meets certain volume requirements).

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act<sup>23</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>24</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among its Equity Members and issuers and other persons using its facilities.

Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>25</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers or dealers.

The Exchange operates in a highly fragmented and competitive market in which market participants can readily direct their order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of sixteen registered equities exchanges, and there are a number of alternative trading systems and other off-exchange venues, to which market participants may direct their order flow. Based on publicly available information, no single registered equities exchange had more than approximately 15-16% of the total market share of executed volume of equities trading for the month of September 2024.<sup>26</sup> Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow, and the Exchange represented approximately 1.71% of the overall market share for the month of September 2024. The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the

---

<sup>23</sup> 15 U.S.C. 78f(b).

<sup>24</sup> 15 U.S.C. 78f(b)(4).

<sup>25</sup> 15 U.S.C. 78f(b)(5).

<sup>26</sup> See the “Market Share” section of the Exchange’s website, available at <https://www.miaxglobal.com/> (last visited October 25, 2024).

securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>27</sup>

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or discontinue or reduce use of certain categories of products, in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange’s transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. The Exchange believes the proposal reflects a reasonable and competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance liquidity and market quality in both a broad manner and in a targeted manner with respect to the NBBO Program, in particular, and Added Displayed Volume in securities priced at or above \$1.00 per share, in general.

The Exchange believes its proposal to reduce the rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes is reasonable because the Exchange’s standard rebate and enhanced rebates will remain competitive with, or higher than, the rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>28</sup> The Exchange believes that the enhanced rebates under the NBBO Program, as

---

<sup>27</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37499 (June 29, 2005).

<sup>28</sup> See supra notes 21 and 22.

modified by this proposal, continue to be equitable and not unfairly discriminatory because the NBBO Program is open to all Equity Members on an equal basis and provides enhanced rebates that are reasonably related to the value of the Exchange's market quality associated with greater order flow by Equity Members that set the NBB or NBO, and the introduction of higher volumes of orders into the price and volume discovery process. The Exchange believes the proposal is equitable and not unfairly discriminatory because the Exchange's pricing structure, as modified by this proposal, continues to be designed to incentivize the entry of aggressively priced displayed liquidity that may create tighter spreads, thereby promoting price discovery and market quality on the Exchange to the benefit of all Equity Members and public investors.

#### **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.

##### Intra-Market Competition

The Exchange does not believe that the proposal will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange believes that its proposal to reduce the standard and enhanced rebates provided for in the NBBO Program, for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume will not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because these changes are for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that despite the modest reduction proposed herein of (\$0.0001) per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume, the Exchange's standard and enhanced rebates remain competitive with, or



higher than, the standard and enhanced rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume on those exchanges.<sup>29</sup>

The Exchange believes that, even with the proposed decrease to the standard and enhanced Added Displayed Volume rebates, the Exchange's rebate structure for such orders will continue to incentivize market participants to direct order flow to the Exchange, thereby contributing to a deeper and more liquid market to the benefit of all market participants and enhancing the attractiveness of the Exchange as a trading venue. The Exchange believes that this, in turn, will continue to encourage market participants to direct additional orders in securities priced at or above \$1.00 per share to the Exchange. Greater liquidity benefits all Equity Members by providing more trading opportunities and encourages Equity Members to send orders to the Exchange, thereby contributing to robust levels of liquidity, which benefits all market participants.

#### Intermarket Competition

The Exchange believes the proposed changes will benefit competition, and the Exchange notes that it operates in a highly competitive market. Equity Members have numerous alternative venues they may participate on and direct their order flow to, including sixteen equities exchanges and numerous alternative trading systems and other off-exchange venues. As noted above, no single registered equities exchange currently had more than 15-16% of the total market share of executed volume of equities trading for the month of September 2024.<sup>30</sup> Thus,

---

<sup>29</sup> See supra notes 21 and 22.

<sup>30</sup> See supra note 26.

in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow.

Moreover, the Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow in response to new or different pricing structures being introduced to the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates generally, including with respect to executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume, and market participants can readily choose to send their orders to other exchanges and off-exchange venues if they deem fee levels at those other venues to be more favorable.

Additionally, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and self-regulatory organization ("SRO") revenues and, also, recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."<sup>31</sup> The fact that this market is competitive has also long been recognized by the courts. In *NetCoalition v. Securities and Exchange Commission*, the D.C. circuit stated: "[n]o one disputes that competition for order flow is 'fierce.' . . . As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange

---

<sup>31</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

possess a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers' . . .".<sup>32</sup> Accordingly, the Exchange does not believe its proposed pricing changes impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

**5. 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.

**6. Extension of Time Period for Commission Action**

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>33</sup> and Rule 19b-4(f)(2) thereunder<sup>34</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing. At any time within 60 days of the filing of 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 under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.<sup>35</sup>

---

<sup>32</sup> See NetCoalition v. SEC, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSE-2006-21)).

<sup>33</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>34</sup> 17 CFR 240.19b-4.

<sup>35</sup> 15 U.S.C. 78s(b)(2)(B).

**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. Completed notice of proposed rule change for publication in the Federal Register.
5. Copy of the applicable section of the Fee Schedule.

**EXHIBIT 1**

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-PEARL-2024-50)

October \_\_\_\_, 2024

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by MIAX PEARL, LLC to Amend the MIAX Pearl Equities Fee Schedule

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October \_\_\_\_, 2024, MIAX PEARL, LLC (“MIAX Pearl” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing a proposal to amend the fee schedule (the “Fee Schedule”) applicable to MIAX Pearl Equities, an equities trading facility of the Exchange.

The text of the proposed rule change is available on the Exchange’s website at <https://www.miaxglobal.com/markets/us-equities/pearl-equities/rule-filings>, 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

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

---

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

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

the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Exchange proposes to amend the Fee Schedule to decrease the rebates for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity (“Added Displayed Volume”) to the Exchange across all Tapes.

Background

Currently, the Exchange offers a standard rebate of (\$0.0022)<sup>3</sup> per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes.<sup>4</sup> The Exchange also offers enhanced rebates pursuant to the NBBO Setter Plus Program (referred to in this filing as the “NBBO Program”)<sup>5</sup> for Equity Members<sup>6</sup> that add displayed liquidity in securities priced at or above \$1.00 per share in all Tapes based on increasing volume thresholds and increasing market quality levels (described below). The NBBO Program was implemented beginning September 1, 2023 and subsequently amended several times.<sup>7</sup>

Pursuant to the NBBO Setter Plus Table in Section 1)c) of the Fee Schedule, the NBBO Program provides six volume tiers enhanced by three market quality levels to provide increasing

---

<sup>3</sup> Rebates are indicated by parentheses. See the General Notes section of the Fee Schedule.

<sup>4</sup> See Fee Schedule, Section 1)a); see also Fee Schedule, Section 1)b), Liquidity Indicator Codes “AA”, “AB”, and “AC”.

<sup>5</sup> See, generally, Fee Schedule, Section 1)c).

<sup>6</sup> The term “Equity Member” is a Member authorized by the Exchange to transact business on MIAX Pearl Equities. See Exchange Rule 1901.

<sup>7</sup> See, e.g., Securities Exchange Act Release Nos. 98472 (September 21, 2023), 88 FR 66533 (September 27, 2023) (SR-PEARL-2023-45); 99318 (January 11, 2024), 89 FR 3488 (January 18, 2024) (SR-PEARL-2023-73); 99695 (March 8, 2024), 89 FR 18694 (March, 14, 2024) (SR-PEARL-2024-11).

rebates in this segment. The six volume tiers are achievable by greater volume from the best of four alternative methods. The three market quality levels are achievable by greater NBBO participation in a minimum number of specific securities (described below).

MIAX Pearl Equities first determines the applicable NBBO Program tier based on four different volume calculation methods. The four volume-based methods to determine the Equity Member's tier for purposes of the NBBO Program are calculated in parallel in each month, and each Equity Member receives the highest tier achieved from any of the four methods each month. All four volume calculation methods are based on an Equity Member's respective ADAV,<sup>8</sup> NBBO Set Volume, or ADV, each as a percent of industry TCV<sup>9</sup> as the denominator.

Under volume calculation Method 1, the Exchange provides tiered rebates based on an Equity Member's ADAV as a percentage of TCV. An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.00% and less than 0.035% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.035% and less than 0.05% of TCV.

---

<sup>8</sup> "ADAV" means average daily added volume calculated as the number of shares added per day and "ADV" means average daily volume calculated as the number of shares added or removed, combined, per day. ADAV and ADV are calculated on a monthly basis. "NBBO Set Volume" means the ADAV in all securities of an Equity Member that sets the NBB or NBO on MIAX Pearl Equities. See the Definitions section of the Fee Schedule. The Exchange excludes from its calculation of ADAV, ADV, and TCV, and for the purpose of determining qualification for the rebates described in all Levels of the Market Quality Tier columns in the NBBO Setter Plus Program: (1) any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours; (2) any day with a scheduled early market close; (3) the "Russell Reconstitution Day" (typically the last Friday in June); (4) any day that the MSCI Equities Indexes are rebalanced (i.e., on a quarterly basis); and (5) any day that the S&P 400, S&P 500, and S&P 600 Indexes are rebalanced (i.e., on a quarterly basis). See the General Notes section of the Fee Schedule.

<sup>9</sup> "TCV" means total consolidated volume calculated as the volume in shares reported by all exchanges and reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. See the Definitions section of the Fee Schedule.

An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.05% and less than 0.08% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.08% and less than 0.20% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.20% and less than 0.40% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.40% of TCV.

Under volume calculation Method 2, the Exchange provides tiered rebates based on an Equity Member's NBBO Set Volume as a percentage of TCV. Under volume calculation Method 2, an Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.00% and less than 0.01% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.01% and less than 0.015% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.015% and less than 0.02% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.02%



and less than 0.03% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.03% and less than 0.08% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an NBBO Set Volume of at least 0.08% of TCV.

Under volume calculation Method 3, the Exchange provides tiered rebates based on an Equity Member's ADV as a percentage of TCV. An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.00% and less than 0.15% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.15% and less than 0.18% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.18% and less than 0.20% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.20% and less than 0.60% of TCV. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 0.60% and less than 1.00% of TCV. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADV of at least 1.00% of TCV.

Under volume calculation Method 4, the Exchange provides tiered rebates based on an Equity Member's ADAV as a percentage of TCV, excluding executions of orders in securities priced below \$1.00 per share across all Tapes from the calculation of both the numerator (ADAV) and denominator (TCV). An Equity Member qualifies for the base rebates in Tier 1 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.00% and less than 0.035% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 2 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.035% and less than 0.05% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 3 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.05% and less than 0.08% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 4 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.08% and less than 0.20% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. An Equity Member qualifies for the enhanced rebates in Tier 5 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.20% and less than 0.40% of TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes. Finally, an Equity Member qualifies for the enhanced rebates in Tier 6 for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes by achieving an ADAV of at least 0.40% of

TCV, exclusive of executions of orders in securities priced below \$1.00 per share across all Tapes.

After the volume calculation is performed to determine highest tier achieved by the Equity Member, the applicable rebate is calculated based on two different measurements based on the Equity Member's participation at the NBBO on the Exchange in certain securities (referenced below).

The Exchange provides one column of base rebates (referred to in the NBBO Program table as "Level A") and two columns of enhanced rebates (referred to in the NBBO Program table as "Level B" and "Level C")<sup>10</sup>, depending on the Equity Member's Percent Time at NBBO<sup>11</sup> on MIAX Pearl Equities in a certain amount of specified securities ("Market Quality Securities" or "MQ Securities").<sup>12</sup> The NBBO Setter Plus Table specifies the percentage of time that the Equity Member must be at the NBB or NBO on MIAX Pearl Equities in at least 200 symbols out of the full list of 1,000 MQ Securities (which symbols may vary from time to time based on market conditions). The list of MQ Securities is generally based on the top multi-listed

---

<sup>10</sup> The Exchange excludes from its calculation of ADAV, ADV, and TCV, and for the purpose of determining qualification for the rebates described in all Levels of the Market Quality Tier columns in the NBBO Setter Plus Program: (1) any trading day that the Exchange's system experiences a disruption that lasts for more than 60 minutes during regular trading hours; (2) any day with a scheduled early market close; (3) the "Russell Reconstitution Day" (typically the last Friday in June); (4) any day that the MSCI Equities Indexes are rebalanced (i.e., on a quarterly basis); and (5) any day that the S&P 400, S&P 500, and S&P 600 Indexes are rebalanced (i.e., on a quarterly basis). See the General Notes section of the Fee Schedule.

<sup>11</sup> "Percent Time at NBBO" means the aggregate of the percentage of time during regular trading hours where a Member has a displayed order of at least one round lot at the national best bid ("NBB") or national best offer ("NBO"). See the Definitions section of the Fee Schedule.

<sup>12</sup> "Market Quality Securities" or "MQ Securities" shall mean a list of securities designated as such, that are used for the purposes of qualifying for the rebates described in Level B and Level C of the Market Quality Tier columns in the NBBO Setter Plus Program. The universe of these securities will be determined by the Exchange and published on the Exchange's website. See id.

1,000 symbols by ADV across all U.S. securities exchanges. The list of MQ Securities is updated monthly by the Exchange and published on the Exchange's website.<sup>13</sup>

The base rebates ("Level A") are as follows: (\$0.00220) per share in Tier 1; (\$0.00290) per share in Tier 2; (\$0.00300) per share in Tier 3; (\$0.00310) per share in Tier 4; (\$0.00335) per share in Tier 5; and (\$0.00340) per share in Tier 6. Under Level B, the Exchange provides enhanced rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes if the Equity Member's Percent Time at NBBO is at least 25% and less than 50% in at least 200 MQ Securities per trading day during the month. The Level B rebates are as follows: (\$0.00225) per share in Tier 1; (\$0.00295) per share in Tier 2; (\$0.00305) per share in Tier 3; (\$0.00315) per share in Tier 4; (\$0.00340) per share in Tier 5; and (\$0.00345) per share in Tier 6. Under Level C, the Exchange provides enhanced rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes if the Equity Member's Percent Time at NBBO is at least 50% in at least 200 MQ Securities per trading day during the month. The Level C rebates are as follows: (\$0.00230) per share in Tier 1; (\$0.00300) per share in Tier 2; (\$0.00310) per share in Tier 3; (\$0.00320) per share in Tier 4; (\$0.00345) per share in Tier 5<sup>14</sup>; and (\$0.00350) per share in Tier 6.

---

<sup>13</sup> See e.g., MIA X Pearl Equities Exchange – Market Quality Securities (MQ Securities) List, effective October 1 through October 31, 2024, available at <https://www.miaxglobal.com/markets/us-equities/pearl-equities/fees> (last visited October 30, 2024).

<sup>14</sup> Equity Members may also qualify for the Tier 5, Level C enhanced rebate via an alternative method by satisfying the following three requirements in the relevant month: (1) Midpoint ADAV of at least 2,500,000 shares; (2) Displayed ADAV of at least 10,000,000 shares; and (3) Percent Time at the NBB or NBO of at least 50% in 200 or more symbols from the list of MQ Securities. See Fee Schedule, Section 1)c), Notes to NBBO Setter Plus Table, note 3. Midpoint ADAV means the ADAV for the current month consisting of Midpoint Peg Orders in securities priced at or above \$1.00 per share that execute at the midpoint of the Protected NBBO and add liquidity to the Exchange. A Midpoint Peg Order is a non-displayed Limit Order that is assigned a working price pegged to the midpoint of the PBBO. A Midpoint Peg Order receives a new timestamp each time its working price changes in response to changes in the midpoint of the PBBO. See Exchange Rule 2614(a)(3). With respect to the trading of equity securities, the term "the term "Protected NBB" or "PBB" shall mean the national best bid that is a Protected Quotation, the term "Protected NBO" or "PBO" shall mean the national best offer that is a Protected Quotation, and the term

The Exchange offers an NBBO Setter Additive Rebate,<sup>15</sup> which is an additive rebate of (\$0.0004) per share for executions of orders in securities priced at or above \$1.00 per share that set the NBB or NBO<sup>16</sup> upon entry on MIAX Pearl Equities with a minimum size of a round lot.<sup>17</sup> The Exchange also offers an NBBO First Joiner Rebate, which is an additive rebate of (\$0.0002) per share for executions of orders in securities priced at or above \$1.00 per share that bring MIAX Pearl Equities to the established NBB or NBO with a minimum size of a round lot.<sup>18</sup>

### Proposal

The Exchange proposes to reduce the standard rebate for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes. Currently, the Exchange provides a standard rebate of (\$0.0022) per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes. The Exchange now proposes to reduce the standard rebate for executions of Added Displayed Volume in securities priced at or above \$1.00 per share from (\$0.0022) to (\$0.0021) per share for all Tapes.<sup>19</sup> Accordingly, the Exchange proposes to amend Section 1)a), Standard Rates, to reflect this proposed change and amend Section 1)b), Liquidity Indicator Codes and Associated Fees, to reflect the corresponding changes to the applicable Liquidity Indicator Codes, AA, AB and AC.

---

“Protected NBBO” or “PBBO” shall mean the national best bid and offer that is a Protected Quotation. See Exchange Rule 1901.

<sup>15</sup> See Fee Schedule, Section 1)c), NBBO Setter Additive Rebate.

<sup>16</sup> With respect to the trading of equity securities, the term “NBB” shall mean the national best bid, the term “NBO” shall mean the national best offer, and the term “NBBO” shall mean the national best bid and offer. See Exchange Rule 1901.

<sup>17</sup> See Fee Schedule, Section 1)c).

<sup>18</sup> See Fee Schedule, Section 1)c), NBBO First Joiner Additive Rebate.

<sup>19</sup> See Fee Schedule, Section 1)a), Standard Rates, for the standard pricing for executions of Added Displayed Volume, among other rates.

Next, the Exchange proposes to amend the NBBO Setter Plus Table in Section 1)c) of the Fee Schedule to decrease the rebates for all tiers by (\$0.0001) per share for all rebate levels of the NBBO Program. With the proposed changes, the Level A rebates will be as follows: (\$0.00210) per share in Tier 1; (\$0.00280) per share in Tier 2; (\$0.00290) per share in Tier 3; (\$0.00300) per share in Tier 4; (\$0.00325) per share in Tier 5; and (\$0.00330) per share in Tier 6. The Level B rebates will be as follows: (\$0.00215) per share in Tier 1; (\$0.00285) per share in Tier 2; (\$0.00295) per share in Tier 3; (\$0.00305) per share in Tier 4; (\$0.00330) per share in Tier 5; and (\$0.00335) per share in Tier 6. The Level C rebates will be as follows: (\$0.00220) per share in Tier 1; (\$0.00290) per share in Tier 2; (\$0.00300) per share in Tier 3; (\$0.00310) per share in Tier 4; (\$0.00335) per share in Tier 5; and (\$0.00340) per share in Tier 6.

The Exchange does not propose to amend any of volume calculation methods used to determine the Equity Member's tier for purposes of the NBBO Program, which will continue to be calculated in parallel in each month, and each Equity Member will continue to receive the highest tier achieved from any of the four methods each month.<sup>20</sup> The Exchange also does not propose to amend the different measurements to calculate an Equity Member's participation at the NBBO on the Exchange in Market Quality Securities under the NBBO Program.

The purpose of reducing the standard rebate for executions of Added Displayed Volume is for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that despite the modest reduction proposed herein, the proposed standard rebate for executions of Added Displayed Volume (i.e., (\$0.0021) per share) remains higher than, and

---

<sup>20</sup> The Exchange does not propose to amend the alternative volume calculation method for Equity Members to qualify for the Tier 5, Level C enhanced rebate, as proposed to be reduced.

competitive with, the standard rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>21</sup>

The purpose of reducing the enhanced rebates for executions of Added Displayed Volume for all tiers and market quality levels of the NBBO Program is for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that, even with the proposed decrease in the NBBO Program rebates, the base rebates and enhanced rebates of the NBBO Program remain competitive with, or higher than, the rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>22</sup>

### Implementation

The proposed changes are effective beginning November 1, 2024.

### 2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act<sup>23</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>24</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other

---

<sup>21</sup> See e.g., MEMX LLC Equities Fee Schedule, Transaction fees (last visited October 22, 2024), [available at https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/](https://info.memxtrading.com/equities-trading-resources/us-equities-fee-schedule/) (providing standard rebate of (\$0.0015) per share for executions of orders in securities priced at or above \$1.00 per share across all tapes); see also Cboe BZX Equities Fee Schedule, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/bzx/](https://www.cboe.com/us/equities/membership/fee_schedule/bzx/) (providing a standard rebate of (\$0.0016) per share for adding displayed liquidity in securities priced at or above \$1.00 per share).

<sup>22</sup> See Cboe BZX Equities Fee Schedule, Add/Remove Volume Tiers section, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/bzx/](https://www.cboe.com/us/equities/membership/fee_schedule/bzx/) (providing an enhanced rebates ranging from (\$0.0020) to (\$0.0032) per share for executions of added displayed volume in securities priced at or above \$1.00 per share, so long as the member meets certain volume requirements, including, for tier 4, minimum NBBO Time and NBBO Size requirements from a list of specified securities and minimum requirement of ADAV as a percentage of TCV); see also Cboe EDGX Equities Fee Schedule, Add/Remove Volume Tiers section, [available at https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/) (providing an enhanced rebates ranging from (\$0.0020) to (\$0.0034) per share for executions of added displayed volume in securities priced at or above \$1.00 per share, so long as the member meets certain volume requirements).

<sup>23</sup> 15 U.S.C. 78f(b).

<sup>24</sup> 15 U.S.C. 78f(b)(4).

charges among its Equity Members and issuers and other persons using its facilities.

Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>25</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers or dealers.

The Exchange operates in a highly fragmented and competitive market in which market participants can readily direct their order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of sixteen registered equities exchanges, and there are a number of alternative trading systems and other off-exchange venues, to which market participants may direct their order flow. Based on publicly available information, no single registered equities exchange had more than approximately 15-16% of the total market share of executed volume of equities trading for the month of September 2024.<sup>26</sup> Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow, and the Exchange represented approximately 1.71% of the overall market share for the month of September 2024. The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and also recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>27</sup>

---

<sup>25</sup> 15 U.S.C. 78f(b)(5).

<sup>26</sup> See the “Market Share” section of the Exchange’s website, available at <https://www.miaxglobal.com/> (last visited October 25, 2024).

<sup>27</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37499 (June 29, 2005).



The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow or discontinue or reduce use of certain categories of products, in response to new or different pricing structures being introduced into the market. Accordingly, competitive forces constrain the Exchange's transaction fees and rebates, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. The Exchange believes the proposal reflects a reasonable and competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes would enhance liquidity and market quality in both a broad manner and in a targeted manner with respect to the NBBO Program, in particular, and Added Displayed Volume in securities priced at or above \$1.00 per share, in general.

The Exchange believes its proposal to reduce the rebates for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume across all Tapes is reasonable because the Exchange's standard rebate and enhanced rebates will remain competitive with, or higher than, the rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to those exchanges.<sup>28</sup> The Exchange believes that the enhanced rebates under the NBBO Program, as modified by this proposal, continue to be equitable and not unfairly discriminatory because the NBBO Program is open to all Equity Members on an equal basis and provides enhanced rebates that are reasonably related to the value of the Exchange's market quality associated with greater order flow by Equity Members that set the NBB or NBO, and the introduction of higher volumes of orders into the price and volume discovery process. The Exchange believes the proposal is

---

<sup>28</sup> See supra notes 21 and 22.

equitable and not unfairly discriminatory because the Exchange's pricing structure, as modified by this proposal, continues to be designed to incentivize the entry of aggressively priced displayed liquidity that may create tighter spreads, thereby promoting price discovery and market quality on the Exchange to the benefit of all Equity Members and public investors.

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.

Intra-Market Competition

The Exchange does not believe that the proposal will impose any burden on intra-market competition not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange believes that its proposal to reduce the standard and enhanced rebates provided for in the NBBO Program, for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume will not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because these changes are for business and competitive reasons in light of recent volume growth on the Exchange. The Exchange notes that despite the modest reduction proposed herein of (\$0.0001) per share for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume, the Exchange's standard and enhanced rebates remain competitive with, or higher than, the standard and enhanced rebates provided by other exchanges for executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume on those exchanges.<sup>29</sup>

---

<sup>29</sup> See supra notes 21 and 22.

The Exchange believes that, even with the proposed decrease to the standard and enhanced Added Displayed Volume rebates, the Exchange's rebate structure for such orders will continue to incentivize market participants to direct order flow to the Exchange, thereby contributing to a deeper and more liquid market to the benefit of all market participants and enhancing the attractiveness of the Exchange as a trading venue. The Exchange believes that this, in turn, will continue to encourage market participants to direct additional orders in securities priced at or above \$1.00 per share to the Exchange. Greater liquidity benefits all Equity Members by providing more trading opportunities and encourages Equity Members to send orders to the Exchange, thereby contributing to robust levels of liquidity, which benefits all market participants.

#### Intermarket Competition

The Exchange believes the proposed changes will benefit competition, and the Exchange notes that it operates in a highly competitive market. Equity Members have numerous alternative venues they may participate on and direct their order flow to, including sixteen equities exchanges and numerous alternative trading systems and other off-exchange venues. As noted above, no single registered equities exchange currently had more than 15-16% of the total market share of executed volume of equities trading for the month of September 2024.<sup>30</sup> Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow.

Moreover, the Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow in response to new or different pricing structures being introduced to the market. Accordingly,

---

<sup>30</sup>

See supra note 26.

competitive forces constrain the Exchange's transaction fees and rebates generally, including with respect to executions of orders in securities priced at or above \$1.00 per share for Added Displayed Volume, and market participants can readily choose to send their orders to other exchanges and off-exchange venues if they deem fee levels at those other venues to be more favorable.

Additionally, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and self-regulatory organization ("SRO") revenues and, also, recognized that current regulation of the market system "has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies."<sup>31</sup> The fact that this market is competitive has also long been recognized by the courts. In *NetCoalition v. Securities and Exchange Commission*, the D.C. circuit stated: "[n]o one disputes that competition for order flow is 'fierce.' . . . As the SEC explained, '[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their routing agents, have a wide range of choices of where to route orders for execution'; [and] 'no exchange can afford to take its market share percentages for granted' because 'no exchange possess a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers' . . .".<sup>32</sup> Accordingly, the Exchange does not believe its proposed pricing changes impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

---

<sup>31</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005).

<sup>32</sup> See *NetCoalition v. SEC*, 615 F.3d 525, 539 (D.C. Cir. 2010) (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782-83 (December 9, 2008) (SR-NYSE-2006-21)).

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act,<sup>33</sup> and Rule 19b-4(f)(2) thereunder<sup>34</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

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

(<https://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail [to rule-comments@sec.gov](mailto:to-rule-comments@sec.gov). Please include File Number SR-PEARL-2024-50 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-2024-50. This file number should be included on the subject line if email is used. To help the Commission process and

---

<sup>33</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>34</sup> 17 CFR 240.19b-4.

review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-PEARL-2024-50 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>35</sup>

Sherry R. Haywood,  
Assistant Secretary

---

<sup>35</sup> 17 CFR 200.30-3(a)(12).

**Exhibit 5**

New text is underlined;

Deleted text is in [brackets]

**MIAX Pearl Equities Exchange Fee Schedule**

\* \* \* \* \*

**1) Transaction Rebates/Fees**

**a) Standard Rates**

Category	Adding Liquidity Displayed Order	Adding Liquidity Non-Displayed Order	Removing Liquidity	Routing and Removing Liquidity	Opening or Re-Opening Process
Securities at or above \$1.00	Tapes A, B, and C [(\$0.0022)] (\$0.0021)	No change	No change	No change	No change
Securities below \$1.00	No change	No change	No change	No change	No change
Standard Liquidity Indicator Codes	AA, AB, AC, AR	Aa, Ab, Ac, Ap, Ar	RA, Ra, RB, Rb, RC, Rc, Rp, RR, Rr, RT, Rt	X	O

**b) Liquidity Indicator Codes and Associated Fees**

Liquidity Indicator Code	Description	Fee/(Rebate) Securities Priced at or Above \$1.00	Fee/(Rebate) Securities Priced Below \$1.00
AA	Adds Liquidity, Displayed Order (Tape A)	[( <del>\$0.0022</del> )]( <u>\$0.0021</u> )	No change
AB	Adds Liquidity, Displayed Order (Tape B)	[( <del>\$0.0022</del> )]( <u>\$0.0021</u> )	No change
AC	Adds Liquidity, Displayed Order (Tape C)	[( <del>\$0.0022</del> )]( <u>\$0.0021</u> )	No change

\* \* \* \* \*

**c) NBBO Setter Plus Program**

Equity Members will receive the rebates described in the NBBO Setter Plus table for executions of orders in securities priced at or above \$1.00 per share that add displayed liquidity to the Exchange across all Tapes, depending on (i) the tier achieved using four volume-based calculation methods, and (ii) participation at the NBBO on the Exchange in MQ Securities. The rebates provided for by the below table are applicable to the following Liquidity Indicator Codes: AA, AB and AC.

NBBO Setter Plus Table							
	Methods To Determine Tier Based On Volume				Market Quality Tiers and Applicable Rebate Levels		
	Method 1: ADAV as a % of TCV	Method 2: NBBO Set Volume as a % of TCV	Method 3: Total ADV as a % of TCV	Method 4: ADAV as a % of TCV (Excluding Sub-Dollar Volume)	Level A: Base Rebates	Level B: Equity Member Percent Time at the NBBO $\geq$ 25% and < 50%	Level C: Equity Member Percent Time at the NBBO $\geq$ 50%
Tier 1	$\geq 0.00\%$ and < 0.035%	$\geq 0.00\%$ and < 0.01%	$\geq 0.00\%$ and < 0.15%	$\geq 0.00\%$ and < 0.035%	[( <u>\$0.00220</u> ) ( <u>\$0.00210</u> )	[( <u>\$0.00225</u> ) ( <u>\$0.00215</u> )	[( <u>\$0.00230</u> ) ( <u>\$0.00220</u> )
Tier 2	$\geq 0.035\%$ and < 0.05%	$\geq 0.01\%$ and < 0.015%	$\geq 0.15\%$ and < 0.18%	$\geq 0.035\%$ and < 0.05%	[( <u>\$0.00290</u> ) ( <u>\$0.00280</u> )	[( <u>\$0.00295</u> ) ( <u>\$0.00285</u> )	[( <u>\$0.00300</u> ) ( <u>\$0.00290</u> )
Tier 3	$\geq 0.05\%$ and < 0.08%	$\geq 0.015\%$ and < 0.02%	$\geq 0.18\%$ and < 0.20%	$\geq 0.05\%$ and < 0.08%	[( <u>\$0.00300</u> ) ( <u>\$0.00290</u> )	[( <u>\$0.00305</u> ) ( <u>\$0.00295</u> )	[( <u>\$0.00310</u> ) ( <u>\$0.00300</u> )
Tier 4	$\geq 0.08\%$ and < 0.20%	$\geq 0.02\%$ and < 0.03%	$\geq 0.20\%$ and < 0.60%	$\geq 0.08\%$ and < 0.20%	[( <u>\$0.00310</u> ) ( <u>\$0.00300</u> )	[( <u>\$0.00315</u> ) ( <u>\$0.00305</u> )	[( <u>\$0.00320</u> ) ( <u>\$0.00310</u> )
Tier 5	$\geq 0.20\%$ and < 0.40%	$\geq 0.03\%$ and < 0.08%	$\geq 0.60\%$ and < 1.00%	$\geq 0.20\%$ and < 0.40%	[( <u>\$0.00335</u> ) ( <u>\$0.00325</u> )	[( <u>\$0.00340</u> ) ( <u>\$0.00330</u> )	[( <u>\$0.00345</u> ) ( <u>\$0.00335</u> ) <sup>3</sup>
Tier 6	$\geq 0.40\%$	$\geq 0.08\%$	$\geq 1.00\%$	$\geq 0.40\%$	[( <u>\$0.00340</u> ) ( <u>\$0.00330</u> )	[( <u>\$0.00345</u> ) ( <u>\$0.00335</u> )	[( <u>\$0.00350</u> ) ( <u>\$0.00340</u> )

**NBBO Setter Additive Rebate (additive rebate for executions of orders in securities priced at or above \$1.00 per share that set the NBB or NBO on MIAAX Pearl Equities with a minimum size of a round lot): (\$0.0004)**

**NBBO First Joiner Additive Rebate (additive rebate for executions of orders in securities priced at or above \$1.00 per share that bring MIAAX Pearl Equities to the established NBB or NBO with a minimum size of a round lot): (\$0.0002)**

#### Notes to NBBO Setter Plus Table

1. MIAAX Pearl Equities allows an Equity Member to qualify into a Tier using one of four methods, all of which are based on volume as a percentage of TCV. Qualifying into a Tier requires the Equity Member to satisfy only one of the four methods. The Equity Member is not required to fulfill multiple methods to qualify for that Tier.
2. After qualifying into a particular Tier based on volume, the Equity Member has the ability to qualify for an enhanced rebate level based on their performance in the NBBO Setter Plus Program, which requires the Equity Member to meet specific 'Percent Time at NBBO' requirements in at least 200 securities in the entire list of MQ Securities, as noted in the table above. The list of MQ Securities is determined by MIAAX Pearl Equities and is listed on the MIAAX Pearl Equities website. The list of MQ Securities will be updated each time a security is added or removed from the list.
3. An Equity Member may qualify for the enhanced rebate of Tier 5, Level C via an alternative method by satisfying the following three requirements in the relevant month: (1) Midpoint ADAV of at least 2,500,000 shares; (2) Displayed ADAV of at least 10,000,000 shares; and (3) Percent Time at the NBBO of at least 50% in 200 or more symbols from the list of MQ Securities.
4. An Equity Member may qualify for a Step-Up Rebate of (\$0.0001) per share by satisfying the following requirements in the relevant month: (1) minimum Displayed ADAV as a percentage of TCV of 0.35%; and (2) increase in the percentage



of Displayed ADAV as a percentage of TCV of at least 0.05% as compared to the Equity Member's July 2024 Displayed ADAV percentage. Alternatively, an Equity Member may qualify for a Step-Up Rebate of (\$0.0001) per share by satisfying the following requirements in the relevant month: (1) minimum Displayed ADAV as a percentage of TCV of 0.35% (excluding sub-dollar volume); and (2) increase in the percentage of Displayed ADAV as percentage of TCV of at least 0.05% as compared to the Equity Member's July 2024 Displayed ADAV percentage (excluding sub-dollar volume). The Step-Up Rebate will expire no later than January 31, 2025.

5. Retail Orders are not eligible for the NBBO Setter Additive Rebate, the NBBO First Joiner Additive Rebate, or the Step-Up Rebate as these rebates only apply to Liquidity Indicator Codes AA, AB and AC.
6. For volume calculation Method 4, when calculating both the numerator (ADAV) and the denominator (TCV), executions of orders in securities priced below \$1.00 per share across all Tapes will be excluded.

\* \* \* \* \*