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SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-70137; File No. SR-MIAX-2013-39)

August 8, 2013

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

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 1, 2013, Miami International Securities Exchange LLC (“Exchange” or “MIAX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing a proposal to amend the MIAX Options Fee Schedule (the “Fee Schedule”) to reflect the addition of a new category of connectivity to the MIAX System by way of MIAX Express Interface (“MEI”) Ports (defined below).

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

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 MIAX Options Fee Schedule (the "Fee Schedule") to add a new category of MIAX Express Interface ("MEI") Port,³ known as a Limited Service MEI Port, to the System Connectivity Fees section of the Fee Schedule. The new Limited Service MEI Port enhances the existing MEI Port connectivity made available to Market Makers. The Exchange is proposing no additional charge for the additional category of connectivity.

Currently, MIAX assesses monthly MEI Port Fees on Market Makers based upon the number of MIAX matching engines⁴ used by the Market Maker. MEI Port users are allocated two Full Service MEI Ports⁵ per matching engine to which they connect. The Exchange currently assesses a fee of \$1,000 per month on Market Makers for the first matching engine they use; \$500 per month for each of matching engines 2 through 5; and \$250 per month for each of matching engines 6 and above. For example, a Market Maker that wishes to make markets in

³ MEI is a connection to MIAX systems that enables Market Makers to submit electronic quotes to MIAX.

⁴ A "matching engine" is a part of the MIAX electronic system that processes options quotes and trades on a symbol-by-symbol basis. Some matching engines will process option classes with multiple root symbols, and other matching engines will be dedicated to one single option root symbol (for example, options on SPY will be processed by one single matching engine that is dedicated only to SPY). A particular root symbol may only be assigned to a single designated matching engine. A particular root symbol may not be assigned to multiple matching engines.

⁵ In order to distinguish the Limited Service MEI Port from the existing MEI Port, the existing MEI Port will be referred to as a Full Service MEI Port.

just one symbol would require the two MEI Ports in a single matching engine; a Market Maker wishing to make markets in all symbols traded on MIAX would require the two MEI Ports in each of the Exchange's matching engines. The MEI Port includes access to MIAX's primary and secondary data centers and its disaster recovery center.

The Exchange proposes to allocate to each Market Maker two Limited Service MEI Ports per matching engine in addition to the current two Full Service MEI Ports. In order to distinguish the Limited Service MEI Port from the existing MEI Port, the existing MEI Port will be referred to as a Full Service MEI Port.

Full Service MEI Port

The current MEI Port, now known as a Full Service MEI Port, provides Market Makers with the ability to send Market Maker Standard quotes, eQuotes,⁶ and quote purge messages to the MIAX System. Full Service MEI Ports are also capable of receiving administrative information. Market Makers are limited to two Full Service MEI Ports per matching engine.

Limited Service MEI Port

The new Limited Service MEI Ports provide Market Makers with the ability to send eQuotes and quote purge messages only, but not Market Maker Standard quotes, to the MIAX System. Limited Service MEI Ports are also capable of receiving administrative information. Market Makers are limited to two Limited Service MEI Ports per matching engine.

Under the proposal, Market Makers that establish connectivity through MEI Ports will be allocated two Full Service MEI Ports and two Limited Service MEI Ports per matching engine at no additional cost. The Fee Schedule is being amended to reflect that the monthly fees paid for

⁶ An eQuote is a quote with a specific time in force that does not automatically cancel and replace a previous Standard quote or eQuote. An eQuote can be cancelled by the Market Maker at any time, or can be replaced by another eQuote that contains specific instructions to cancel an existing eQuote. See Exchange Rule 517(a)(2).

MEI Ports will result in the allocation of four MEI Ports to Market Makers. Accordingly, Market Makers will continue to be assessed \$1,000 per month for the first matching engine they use; \$500 per month for matching engines 2 through 5; and \$250 per month for matching engines 6 and above, and they now will be allocated two additional Limited Service MEI Ports at the same monthly price for which they currently pay for two MEI Ports; they will receive four MEI Ports at the same monthly price they currently pay for two.

The purpose of this amendment to the Fee Schedule, offering of added value to the Exchange's MEI connectivity, is to provide Market Makers with the technical flexibility to connect the Limited Service Ports to independent servers that host their eQuote and purge functionality. The Exchange believes that the additional ports will help Market Makers mitigate the risk of using the same server for all of their Market Maker quoting activity. Currently, Market Makers in the MIAX System must use the MEI Ports (to be referred to now as the Full Service MEI Ports) to submit quotations, to purge quotations, and to submit eQuotes. By using the Limited Service MEI Ports for risk purposes, Market Makers can place purge functionality on a different server than the Market Maker quoting server (via the Limited Service MEI Ports), which provides them a failsafe for getting out of the market in case they have an issue with the quote server. Additionally, Market Makers may opt to use the Limited Service MEI Ports to submit eQuotes. Because eQuotes are frequently generated by a different algorithm that determines when to respond to an auction message, the additional ports enable Market Makers to connect to a different server that processes auctions and eQuotes rather than forcing them to use their Market Maker Standard quote server as a gateway for communicating eQuotes to MIAX.

Because of the technology changes associated with this rule proposal, the Exchange will announce the implementation date of the proposal in an Exchange Circular to be published no

later than 30 days after the publication of the notice in the Federal Register. The implementation date will be no later than 30 days following publication of the Exchange Circular announcing publication of the notice in the Federal Register.

2. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act⁷ in general, and furthers the objectives of Section 6(b)(4) of the Act⁸ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The Exchange believes that the proposal is reasonable and not unfairly discriminatory because all Market Makers that subscribe to the MIAX System will pay the same monthly fee for two Full Service and Two Limited Service MEI Ports per matching engine.

The Exchange further believes that the no-cost addition of Limited Service MEI Ports to the Fee Schedule are equitable and not unfairly discriminatory because it enhances the MIAX System and marketplace by helping Market Makers to better manage risk, thus preserving the integrity of the MIAX markets, all to the benefit of and protection of investors and the public as a whole.

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

MIAX does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

On the contrary, MIAX believes that the additional cost-free protection provided to Market Makers and the investing public should enhance competition by attracting liquidity and order flow to the Exchange.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

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

Written comments were neither solicited nor received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.⁹ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-MIAX-2013-39 on the subject line.

Paper comments:

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

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

All submissions should refer to File Number SR-MIAX-2013-39. 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 website (<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 such 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 publicly available. All submissions should refer

to File Number SR-MIAX-2013-39 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.¹⁰

Kevin M. O'Neill
Deputy Secretary

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¹⁰ 17 CFR 200.30-3(a)(12).