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SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-72410; File No. SR-MIAX-2014-27)

June 17, 2014

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Establish a Billing Dispute Practice

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 9, 2014, Miami International Securities Exchange LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is filing a proposal to amend various Exchange Rules related to fees and the cover page of the MIAX Options Fee Schedule.

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

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Exchange proposes to amend Rules 200(e), 208, and 1203. The Exchange also proposes to amend the Fee Schedule to add language regarding fee disputes.

First, the Exchange proposes to amend Rule 200(e) to eliminate the description of when the Trading Permit fee is due and payable each month. Currently, Rule 200(e) states that the Trading Permit fee is due and payable in full on or before the first day on which the Trading Permit is effective. However, as the Exchange's Fee Schedule indicates, the monthly Trading Permit fees are calculated for certain Members³ based upon the greatest number of assigned classes on any given day within a particular calendar month. The Exchange proposes to amend Rule 200(e) to eliminate the statement indicating that the entire Trading Permit fee shall be due and payable on or before the first day on which the Trading Permit is effective because the Exchange does not actually calculate and invoice the Trading Permit fee until the month is completed.

Second, the Exchange proposes to amend Rule 208 to provide that the monthly Exchange invoices are to be paid in full on a timely basis. Rule 208 describes the MIAX Billing System and the requirement to designate a Clearing Member for the payment of Exchange invoices. Rule 208 currently requires the designated Clearing Member to pay on a timely basis "any

³ The amount of the monthly Trading Permit fee for a Lead Market Maker ("LMM") or a Registered Market Maker ("RMM") is calculated based on the number of their assigned classes. The amount of the monthly Trading Permit fee for an Electronic Exchange Member ("EEM") is a flat rate and not dependent upon the number of classes traded or any other such measure. Nevertheless, the Exchange, for consistency purposes, invoices Trading Permit fees in arrears for all Members.

amount that is not disputed” by the Member rather than the full amount of the Exchange invoice. The Exchange proposes to amend Rule 208 to provide that the designated Clearing Member shall pay to the Exchange on a timely basis the full amount of each monthly Exchange invoice because, as discussed in detail below, the Exchange proposes to handle fee disputes in Proposed Rule 1203(e). In accordance with the Proposed Rule 1203(e), the Exchange expects all invoices to be paid in full including any disputed amount. If the dispute is resolved in the Member’s favor, any disputed amount will be subsequently credited to the Clearing Member on behalf of that Member’s account. The Exchange believes that this change will avoid confusion because it will be consistent with Proposed Rule 1203(e). In addition, the Exchange proposes replacing the term “designated” in the first sentence of Rule 208 with the term “assessed” to more accurately reflect the action being taken by the Exchange.

The Exchange proposes to create Rule 1203(e) to establish a billing practice to prevent Members from contesting their bills long after they have been sent an invoice. In accordance with Proposed Rule 1203(e), all disputes concerning fees, dues or charges assessed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All disputes related to fees, dues or other charges must be submitted to the Exchange no later than sixty (60) days after the date of the monthly invoice. All Exchange invoices are due in full on a timely basis and payable in accordance with Rule 208. Any disputed amount resolved in the Member’s favor will be subsequently credited to the Clearing Member’s account at the Clearing Corporation. The Exchange provides Members with both daily and monthly fee reports and thus believes Members should be aware of any potential billing errors within sixty calendar days of issuance of an invoice. Requiring that Members dispute an invoice within this time period will encourage them to promptly review their invoices so that any disputed charges can be addressed in a timely manner while the information and data

underlying those charges (e.g., applicable fees and order information) is still easily and readily available. This practice will avoid issues that may arise when Members do not dispute an invoice in a timely manner, and will conserve Exchange resources that would have to be expended to resolve untimely billing disputes. The Exchange notes that this type of provision is common among other exchanges.⁴ In addition, the Exchange proposes to state that all billing disputes must be submitted to the Exchange in writing,⁵ and must be accompanied by supporting documentation. The Exchange believes that this requirement, which is also similar to requirements of other exchanges,⁶ will further streamline the billing dispute process. In addition, in order for Members to be fully aware of this rule regarding fee disputes, the Exchange proposes to place a statement on the cover of the MIAX Options Fee Schedule and at the bottom of each invoice regarding the handling of billing disputes.

2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b)⁷ of the Act in general, and furthers the objectives of Section 6(b)(4)⁸ of the Act in particular, in that it is designed to provide for an equitable allocation of reasonable dues, fees and other charges among Exchange Members and other persons using its facilities. In addition, the Exchange believes the proposed rule change also furthers the objectives of Section 6(b)(5) of the Act⁹ in particular, in that it is designed to promote just and equitable principles of trade, to foster

⁴ See e.g., Securities Exchange Act Release Nos. 62661 (August 6, 2010), 75 FR 49544 (August 13, 2010) (SR-Phlx-2010-110); 71297 (January 14, 2014), 79 FR 3442 (January 21, 2014) (SR-ISE-2014-02).

⁵ The Exchange invoice specifies contact information for billing inquiries.

⁶ See supra note 4.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(4).

⁹ 15 U.S.C. 78f(b)(5).

cooperation and coordination with persons engaged in facilitating transactions in securities, and, in general, to protect investors and the public interest, and it is not designed to permit unfair discrimination among customers, brokers, or dealers. The Exchange's proposal relates to how fees are invoiced and collected and will protect investors and the public interest by eliminating potential confusion that could be caused by the existing language used to describe the Exchange's billing practices. The Exchange's proposal provides for the equitable allocation of fees, dues and other charges because it applies equally to all Members and any persons using the facilities or services of the Exchange.

Additionally, the Exchange believes the requirement that all invoices be paid in full and billing disputes be submitted within 60 days after the date of the invoice is reasonable because the Exchange provides ample tools to properly and swiftly monitor and account for various charges incurred in a given month. Also, the proposal is equitable because it equally applies to all Members. The Exchange's administrative costs will be lowered as a result of this policy. The proposed provision regarding fee disputes promotes the protection of investors and the public interest by providing a clear and concise mechanism in the Exchange Rules for Members to dispute fees and the Exchange to review such disputes in a timely manner. In addition, the proposed 60 day limitation is fair and equitable since it will be implemented prospectively on all Members, only applying to invoices issued after the proposed rule change becomes operative.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule changes to revise Exchange Rules related to fees and to add a new provision regarding fee disputes should reduce possible confusion regarding the procedures for establishing, invoicing and collecting fees, dues and other charges. Since the Exchange proposes no substantive

changes regarding fees applicable to Members, the proposal does not impose any burden on competition.

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

Written comments were neither solicited nor received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act¹⁰ and Rule 19b-4(f)(6)¹¹ thereunder.

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.

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

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-2014-27 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-MIAX-2014-27. 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 the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the

Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MIAX-2014-27 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.¹²

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Deputy Secretary

[FR Doc. 2014-14542 Filed 06/20/2014 at 8:45 am; Publication Date: 06/23/2014]

¹² 17 CFR 200.30-3(a)(12).