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SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-75603; File No. SR-MIAX-2015-49)

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

August 4, 2015

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 July 30, 2015, 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 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 in

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 its Fee Schedule to adopt transaction fees for Qualified Contingent Cross ("QCC") transactions. A QCC Order is comprised of an order to buy or sell at least 1,000 contracts (or 10,000 mini-option contracts) that is identified as being part of a qualified contingent trade, coupled with a contra side order to buy or sell an equal number of contracts. The Exchange is proposing to establish fees for QCC Orders to coincide with the acceptance of QCC Orders on the Exchange beginning August 1, 2015.

The proposed fees are based on the substantially similar fees of another competing options exchange.³

The Exchange proposes to establish a transaction fee for all non-Priority Customer⁴ QCC Orders of \$0.15 per contract side (Priority Customer orders will not be assessed a charge). In addition, the Exchange proposes to adopt a \$0.10 per contract credit for the initiating order side, regardless of origin code. The Exchange proposes to explicitly provide in the Fee Schedule that the credit will be paid to the Member that enters the order into the System, but will only be paid on the initiating side of the QCC transaction. However, no rebates will be paid for QCC transactions in which both the initiator and contra-side orders are Priority Customers.

³ See Securities Exchange Act Release No. 75321 (June 29, 2015), 80 FR 38489 (July 6, 2015) (SR-CBOE-2015-059).

⁴ The term "Priority Customer" means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial accounts(s). See Exchange Rule 100.

Additionally, the Exchange proposes to state explicitly in the Fee Schedule that a QCC transaction is comprised of an ‘initiating order’ to buy (sell) at least 1,000 contracts or 10,000 mini-option contracts, coupled with a contra-side order to sell (buy) an equal number of contracts.⁵ The Exchange notes that with regard to order entry, the first order submitted into the system is marked as the initiating side and the second order is marked as the contra side

The purpose of these changes is to incentivize the sending of QCC Orders to the Exchange. The Exchange notes that other competing exchanges similarly provide rebates on QCC initiating orders.⁶ The Exchange also notes that QCC orders comprised of mini-contracts will be assessed QCC fees and afforded rebates equal to 10% of the fees and rebates applicable to QCC Orders comprised of standard option contracts. The Exchange is also proposing to amend Section 1(b) of the Fee Schedule to reflect that MIAX will not assess a Marketing Fee⁷ for contracts executed as a QCC, and will not assess the additional Posted Liquidity Marketing Fee⁸ to Market Makers for contracts executed as QCC Orders.

Finally, the Exchange proposes to provide that QCC Orders are excluded from: (i) the volume threshold calculations for the Market Maker Sliding Scale; (ii) and the rebates and volume calculations as part of the Priority Customer Rebate Program. The Exchange believes that excluding QCC Orders from these fees and rebates is appropriate, because QCC Orders from

⁵ See Exchange Rule 516(j).

⁶ See Chicago Board Options Exchange, Fees Schedule; International Securities Exchange, LLC (“ISE”) Schedule of Fees.

⁷ MIAX assesses a Marketing Fee to all Market Makers for contracts, including mini options, they execute in their assigned classes when the contra-party to the execution is a Priority Customer. See Fee Schedule section 1(b).

⁸ MIAX assesses an additional \$0.12 per contract Posted Liquidity Marketing Fee to all Market Makers for any standard options overlying EEM, GLD, IWM, QQQ, and SPY that Market Makers execute in their assigned class when the contra-party to the execution is a Priority Customer and the Priority Customer order was posted on the MIAX Book at the time of the execution. Id.

Market Makers and Priority Customers will be subject to the specific transaction fees as described above that are tailored specifically for encouraging market participants to transact QCC Orders on the Exchange. The Exchange does not believe that it is necessary at this time to extend the favorable volume fee rates nor the rebate program to QCC Orders.

The Exchange proposes to implement the proposed changes beginning August 1, 2015.

2. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with section 6(b) of the Act⁹ in general, and furthers the objectives of section 6(b)(4) of the Act¹⁰ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The Exchange believes the proposed transaction fee for QCC Orders is reasonable because the proposed amount is in line with the amount assessed at other Exchanges for similar transactions.¹¹ Additionally, the proposed fee would be charged to all non-Priority Customers alike. Assessing QCC rates to all market participants except Priority Customers is equitable and not unfairly discriminatory because Priority Customer order flow enhances liquidity on the Exchange for the benefit of all market participants. Specifically, Priority Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market-Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. By exempting Priority Customer orders, the QCC transaction fees will not

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4).

¹¹ See Chicago Board Options Exchange, Inc. Fees Schedule; International Securities Exchange, LLC (“ISE”) Schedule of Fees.

discourage the sending of Priority Customer orders.

The Exchange believes the proposed rebate for the initiating order side of a QCC transaction is reasonable because other competing exchanges also provide a rebate on the initiating order side. Additionally, the proposed credit amount is within the range of the rebate amounts at the other competing exchanges.¹² The Exchange believes the proposed credit is equitable and not unfairly discriminatory because it applies to all Members that enter the initiating order (except for when both the initiator and contra-side orders are Priority Customers) and because it is intended to incentivize the sending of more QCC Orders to the Exchange. The Exchange believes it is reasonable, equitable and not unfairly discriminatory to not provide a rebate for the initiating order for QCC transactions for which both the initiator and the contra-side orders are Priority Customers since Priority Customers are already incentivized by a reduced fee for submitting QCC Orders. The Exchange believes that the proposed exclusion of QCC Orders from the Market Maker Sliding Scale and the Priority Customer Rebate Program is reasonable because it enables QCC Orders from all market participants to be subject to only the specific transaction fees as described above that are tailored specifically for encouraging market participants to transact QCC Orders on the Exchange. The Exchange believes that the exclusion is equitable and not unfairly discriminatory because it ensures all market participants, other than Priority Customers, to be subject to the same transaction fee for QCC Orders. While Priority Customers will benefit from a lower transaction fee rate for QCC Orders, excluding QCC Orders from the Priority Customer Rebate Program enables a more equitable and not unfairly discriminatory outcome.

The Exchange further believes that not assessing a Marketing Fee for contracts executed

¹² See id.

as a QCC, and not assessing the additional Posted Liquidity Marketing Fee to Market Makers for contracts executed as a QCC Order is equitable and not unfairly discriminatory because such order types are originated from the same Member organization, thus obviating the purpose of the Marketing Fees. Finally, the Exchange believes that the proposed change to the Fee Schedule specifying that QCC orders comprised of mini-contracts will be assessed QCC fees and afforded rebates equal to 10% of the fees and rebates applicable to QCC Orders comprised of standard option contracts is equitable and not unfairly discriminatory because it clearly and transparently describes the fees applicable to QCC Orders involving mini-contracts for all MIAX participants.

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, because the proposed rule change applies to all Members. The Exchange believes this proposal will not cause an unnecessary burden on intermarket competition because the proposed changes will actually enhance the competitiveness of the Exchange relative to other exchanges which offer comparable fees and rebates for QCC transactions. To the extent that the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become market participants on the Exchange.

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.¹³ 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-2015-49 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-MIAX-2015-49. 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

¹³ 15 U.S.C. 78s(b)(3)(A)(ii).

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, D.C. 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 available publicly. All submissions should refer to File Number SR-MIAX-2015-49, and should be submitted on or before [**INSERT DATE 21 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER**].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Robert W. Errett,
Deputy Secretary.

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¹⁴ 17 CFR 200.30-3(a)(12).