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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86533; File No. SR-EMERALD-2019-28]

Self-Regulatory Organizations; MIAX Emerald, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Exchange Rule 515, Execution of Orders and Quotes

July 31, 2019

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 22, 2019, MIAX Emerald, LLC (“MIAX Emerald” 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 Exchange Rule 515, Execution of Orders and Quotes, to make minor, non-substantive edits and clarifying changes to the rule text.

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

¹ 15 U.S.C. 78s(b)(1).

² 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 Exchange Rule 515, Execution of Orders and Quotes, to make minor, non-substantive edits and clarifying changes to the rule text in order to provide consistency and clarity within the rule text. Specifically, the Exchange proposes to make a number of minor non-substantive edits to references to "Rule 515" throughout the rule text. Currently, there are several references in Exchange Rule 515 where the rule refers back to itself generally as "Rule 515". The Exchange proposes to amend all general references in Exchange Rule 515 that are to "Rule 515" that do not refer to any particular subsection or paragraph to be replaced with "this Rule" in order to provide consistency and clarity within the rule text. The proposed changes would be to references to "Rule 515" that are currently in the following subsections and paragraphs in Exchange Rule 515: paragraph (a); paragraph (c); subsection (c)(1)(i); subsection (c)(1)(ii)(A); subsection (c)(1)(ii)(C)3.; proposed renumbered subsection (d)(3)(iii) (as described below); subsection (i)(3)(i); and Interpretation and Policy .04.

Next, the Exchange proposes to amend several paragraphs and subsections to make corrective changes to the numerical and alphabetical list item identifiers to properly conform to the hierarchical heading scheme used throughout the Exchange's rulebook. Accordingly, subsections (a)(i) through (a)(iii) will be renumbered as (a)(1) through (a)(3); subsections (c)(1)(ii)(A)(A) through (c)(1)(ii)(A)(C) will be renumbered as (c)(1)(ii)(A)1. through (c)(1)(ii)(A)3.; subsections (c)(1)(ii)(B)(A) through (c)(1)(ii)(B)(D) will be renumbered as

(c)(1)(ii)(B)1. through (c)(1)(ii)(B)4.; subsections (d)(i)(A) through (d)(i)(C) will be renumbered as (d)(1)(i) through (d)(1)(iii); subsection (d)(ii) will be renumbered as (d)(2); subsections (d)(iii)1. through (d)(iii)4. will be renumbered as (d)(3)(i) through (d)(3)(iv); subsections (d)(iv) through (d)(v) will be renumbered as (d)(4) through (d)(5); subsections (g)(i) through (g)(ii) will be renumbered as (g)(1) through (g)(2); Interpretation and Policy .02 subsections (b)(i) through (b)(iv) will be renumbered as (b)(1) through (b)(4); Interpretation and Policy .02 subsections (c)(i) through (c)(iii) will be renumbered as (c)(1) through (c)(3); and Interpretation and Policy .04 subsections (i) through (iii) will be renumbered as (a) through (c).

Next, the Exchange proposes to amend subsection (c)(1)(ii)(C)3. to provide a more accurate citation to the subsection that discusses the Managed Interest Process when the Exchange receives a new Post-Only OQ on the opposite side of the market from a Post-Only Order being managed and the new Post-Only OQ locks or crosses the Book price of the resting Post-Only Order. In this instance, subsection (c)(1)(ii)(C)3. currently provides a citation to subsection (c)(1)(ii), which is the general citation to the subsection for the Managed Interest Process. The Exchange now proposes to amend that citation to be to be “(c)(1)(ii)(B)” as that subsection is a more accurate citation for the Managed Interest Process in this scenario.

Finally, the Exchange proposes to amend Interpretation and Policy .01 to insert brackets around subsections that are to be “Reserved” to provide consistency throughout the rule text. Other subsections that are reserved throughout the Exchange’s rulebook are all bracketed [sic]. Accordingly, the Exchange proposes to insert brackets around “Reserved” in Interpretation and Policy .01.

2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act³ in general, and furthers the objectives of Section 6(b)(5) of the Act⁴ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes the proposed changes promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system because the proposed changes make clarifying edits to the rule text of Exchange Rule 515, and correct errors in the hierarchical heading scheme and to certain citations to provide uniformity in the Exchange's rulebook. The Exchange believes that these proposed changes will provide greater clarity to Members and the public regarding the Exchange's rules and that it is in the public interest for rules to be accurate and concise so as to eliminate the potential for confusion.

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

The Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes the proposed changes will not impose any burden on intra-market competition as there is no functional change to the Exchange's System and because the rules of

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

the Exchange apply to all MIAX Emerald participants equally. The proposed rule changes will have no impact on competition as they are not designed to address any competitive issues but rather are designed to remedy minor non-substantive issues and provide added clarity to the rule text of Exchange Rule 515. In addition, the Exchange does not believe the proposal will impose any burden on inter-market competition as the proposal does not address any competitive issues and is intended to protect investors by providing further transparency regarding the Exchange's functionality.

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 Act⁵ and Rule 19b-4(f)(6)⁶ 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

⁵ 15 U.S.C. 78s(b)(3)(A).

⁶ 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.

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-EMERALD-2019-28 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-EMERALD-2019-28. 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-EMERALD-2019-28 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.⁷

Jill M. Peterson,
Assistant Secretary.

⁷ 17 CFR 200.30-3(a)(12).

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