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November 8, 2013

**VIA ELECTRONIC SUBMISSION AND
OVERNIGHT DELIVERY**

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

**Re: NYSE Euronext Comment Letter dated October 25, 2013
Regarding File Number SR-MIAX-2013-43**

Dear Ms. Murphy:

Miami International Securities Exchange, LLC (“MIAX” or “Exchange”), respectfully submits this letter in response to the comment letter from NYSE Euronext (“NYSE”) regarding our recent filing SR-MIAX-2013-43.¹

NYSE Euronext Comment Letter

MIAX wants to thank NYSE for taking the time to review and comment on our filing; although MIAX respectfully notes that the 21 day comment period expired well before NYSE took the time to actually submit their comment letter. Regardless, MIAX respectfully disagrees with NYSE’s baseless suggestions that MIAX’s filing does not comply with the requirements to be a fee filing and that the statement on the burden of competition does not meet the requirements of Item 4 of Form 19b-4. NYSE’s comment letter contains a plethora of misstatements of fact that are worthwhile to dismiss. Specifically, MIAX represents that: (i) the public had a meaningful

¹ See Letter from Janet McGuinness, EVP & Corporate Secretary, NYSE Euronext, to Ms. Elizabeth M. Murphy, Secretary, U.S. Securities Exchange Commission (“Commission”), dated October 25, 2013. See also Securities Exchange Act Release No. 70498 (September 25, 2013), 78 FR 60348 (October 1, 2013) (SR-MIAX-2013-43) (Implementing an equity rights program (the “Program”)).

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opportunity to comment on the rule filing; (ii) market participants were given the opportunity to assess the full scope of the Program; (iii) the structure of the Program was designed to be nearly identical to that used by CBSX and NSX; and (iv) the filing clearly acknowledged the intent of the filing to increase competition amongst options exchanges by incenting market participants who value equity participation in their order execution decisions.

Meaningful Opportunity to Comment

NYSE's statement that the public did not have 21 days to comment on the filing is a misstatement of fact. Any Member or non-Member had the opportunity to comment within the 21 day comment period which expired October 22, and none in fact chose to comment. The fact that no one chose to comment within that 21 day period has no relationship to whether they in fact had an opportunity to do so, in which everyone did as they do with any other 19b-4 rule filing published by the Commission. Even NYSE's comment letter that was received on October 25, well past the expiration of the 21 day comment period, has been given a meaningful opportunity to comment and is duly posted on the Commission's website.

Opportunity to Assess the Full Scope of the Program

NYSE's naked assertion that market participants have not been given an opportunity to assess the full scope of the Program is also a misstatement of fact. Interested MIAX Members had two weeks, from September 13 until September 27, to find out additional information about the scope of the Program prior to closing. Any MIAX Member that was "interested in participating in the Program" could have contacted MIAX "for more information and legal documentation" about the Program. The Exchange notes that the two week timeframe was even sufficient duration to on-board any interested non-Members through the membership process to be MIAX Members with enough time to request information regarding the Program and complete the necessary steps to participate in the Program. The information package available to interested parties included detailed information about the Program including any proposed governance changes. MIAX notes that when the timing is appropriate, there will be a subsequent 19(b)(2) filing concerning any changes to its corporate governance documents.

Program Designed to Provide Incentives to Members to Attract Order Volume

MIAX disagrees with NYSE's unsupported assertions that MIAX's fee filing to establish the Program was somehow more similar to a joint venture like NYSE Amex. MIAX analyzed competing models including NYSE Amex's joint venture.² MIAX could have chosen to follow NYSE Amex's model by, for example, offering 51% of the company to a limited number of hand selected participants, starting a volume measurement period more than a year prior to approval of the filing, and allowing those limited number of hand selected participants veto power over every business proposal – just as NYSE Amex could have designed their program to be based off of

² See Securities Exchange Act Release No. 64742 (June 24, 2011), 76 FR 38436 (June 30, 2011) (SR-NYSEAmex-2011-018).

NSX's which was effective well before their approval.³ However, MIAX decided not to. Instead, MIAX purposefully designed our Program to be structured substantially similar to the models established by NSX and CBSX in order to incentivize order flow to MIAX.⁴ As such, MIAX drafted the 19b-4 rule filing to be substantially similar to the filings submitted by NSX and CBSX. Any statement to the contrary has no basis in reality. MIAX disagrees with NYSE general stance that the Commission under the 34 Act, and the rules thereunder included Rule 19b-4, should have given disparate treatment for similarly positioned national securities exchanges filings as the ones filed by NSX, CBSX, and MIAX.

In addition, NYSE's statement that the Program was "limited in the number of participants" is completely inaccurate. In contrast to NYSE Amex's joint venture which opened participation to only a select group of members while purposefully excluding others, MIAX opened participation to all Members of the Exchange in a manner similar to NSX and CBSX. Specifically, the MIAX the Program which "provides equity-like consideration in exchange for market making or the provision of liquidity, order flow or volume" was "open to market participants generally." All MIAX Members could potentially have participated if they "(i) be a Member in good standing of MIAX; (ii) qualify as an "accredited investor" as such term is defined in Regulation D of the Securities Act of 1933;⁵ and (iii) have executed all required documentation for Program participation." Any MIAX Member that was "interested in participating in the Program may contact MIAX for more information and legal documentation and will be required to enter into a nondisclosure agreement regarding this additional Program information." As mentioned above, the information package provided to interested parties included detailed information about the Program including any proposed governance changes.

Burden on Competition

While MIAX finds it endearing that two competing exchanges with a combined 24-28% market share on any given day would take the time to comment about burden of competition on a filing submitted by a new options exchange, MIAX disagrees with NYSE's statements that the filing "misrepresents the potential impact of the Program" and does not "full specify the way the proposed rule change will affect the options market and market participants." The filing clearly acknowledged that the Program was designed to specifically promote a competitive market with other options exchanges. The filing specifically provides that MIAX "believes that the proposed

³ See Securities Exchange Act Release No. 62358 (June 22, 2010), 75 FR 37861 (June 30, 2010) (SR-NSX-2010-06).

⁴ See Securities Exchange Act Release Nos. 62358 (June 22, 2010), 75 FR 37861 (June 30, 2010) (SR-NSX-2010-06); 69200 (March 21, 2013), 78 FR 18657 (March 27, 2013) (SR-CBOE-2013-31).

⁵ The purpose of this criterion relates to the ability of MIH to sell shares of common stock pursuant to an exemption from registration under the Securities Act of 1933. The definition of "accredited investor" under Rule 501(a)(1) of the Act includes any broker or dealer registered pursuant to Section 15 of the Act. MIAX Rule 200(b) require a Member to be registered as a broker or dealer pursuant to Section 15 of the Act, therefore all MIAX Members will satisfy this criterion.

Ms. Elizabeth M. Murphy

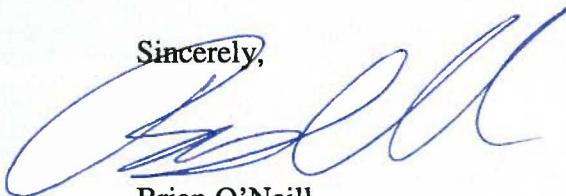
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change would increase both intermarket and intramarket competition by incenting participant Members to direct their orders to the Exchange.” Separately, the filing states that “the Program will help further competition, because market participants will have yet another additional option in determining where to execute orders and post liquidity if they factor the benefits of MIAX equity participation into the determination.” MIAX fully anticipates that market participants that value quality of execution, low latency, and system robustness in their best execution obligations will increasingly turn to MIAX to execute their option transactions over time. In addition to these factors, some market participants also factor benefits of equity participation into the determination as to where order flow is sent. The Program merely provides an additional option to those market participants that factor the benefit of equity based incentive programs in determining where to execute orders and post liquidity.

Once again, MIAX appreciates that NYSE Euronext took the time to comment on an immediately effective, and operative upon filing, MIAX 19b-4 rule change that is substantially based on what other competing exchanges have done in the past.⁶ MIAX also appreciates the Commission’s consideration of our response. Should the Commission or the Staff have any questions, please feel free to contact me at 609-897-1434.

Sincerely,



Brian O’Neill
Vice President and Senior Counsel

cc: Heather Seidel, Associate Director, Division of Trading and Markets
Richard Holley, Assistant Director, Division of Trading and Markets

⁶ See Securities Exchange Act Release Nos. 62358 (June 22, 2010), 75 FR 37861 (June 30, 2010) (SR-NSX-2010-06); 69200 (March 21, 2013), 78 FR 18657 (March 27, 2013) (SR-CBOE-2013-31).