



7 Roszel Road, Suite 1A
Princeton, New Jersey 08540

September 28, 2021

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: SR-PEARL-2021-35, Partial Amendment No. 1

Dear Ms. Countryman:

Enclosed please find Partial Amendment No. 1 to SR-PEARL-2021-35.

Very truly yours,

A handwritten signature in purple ink, appearing to read "Chris Solgan".

Christopher Solgan
VP, Senior Counsel

cc: Michael Bradley, Assistant Director, Division of Trading and Markets, Commission
March McKayle, Special Counsel, Division of Trading and Markets, Commission
Eli Kozminsky, Attorney, Division of Trading and Markets, Commission

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 8	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No. * SR 2021 - * 35 Amendment No. (req. for Amendments *) 1
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Filing by MIAX PEARL, LLC
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Contact Information
Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Chris	Last Name * Solgan
Title * VP, Senior Counsel	
E-mail * [REDACTED]	
Telephone * [REDACTED]	Fax [REDACTED]

Signature
Pursuant to the requirements of the Securities Exchange of 1934, MIAX PEARL, LLC has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 09/28/2021	(Title *)
By Michael Slade (Name *)	AVP, Associate Counsel

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Michael Slade Date: 2021.09.28 16:06:10 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SR-PEARL-2021-35 (Partial Amendme

Partial Amendment No. 1 to SR-PEARL-2021-35

MIAX PEARL, LLC (“Exchange” or “MIAX Pearl”) submits this Partial Amendment No. 1 to SR-PEARL-2021-35, which was originally filed on July 20, 2021 and published in the Federal Register on August 2, 2021.¹ The comment period expired on August 27, 2021 and no comments were submitted. The Exchange now submits this Partial Amendment to provide additional specificity and justification for the Proposal. This Partial Amendment does not alter the Proposal in any other manner.

First, the Exchange proposes to replace the last paragraph that begins on the bottom of page 5 of the 19b-4 and the first full paragraph on page 19 of the Exhibit 1 with the following:

The need for proposed rule change became apparent as a result of technology changes related to the Exchange’s recent implementation of the Reserve Quantity and Minimum Execution Quantity² order instructions.³ These technology changes included changes to the Exchange’s re-pricing processes to account for the displayed and non-displayed portions of an order with a Reserve Quantity.⁴ This,

¹ See Securities Exchange Act Release No. 92545 (August 2, 2021), 86 FR 43279 (August 6, 2021) (SR-PEARL-2021-35) (“Proposal”). Defined terms used herein shall have the same meaning as defined in the Proposal.

² See Exchange Rule 2614(c)(7).

³ See MIAX Pearl Equities - Reminder: Announces Further Expansion of its Equity Trading Platform with the Launch of the Minimum Execution Quantity and Reserve Quantity Order Instructions; Both Available July 1st 2021, available at <https://www.miaxoptions.com/alerts/2021/06/15/miax-pearl-equities-reminder-announces-further-expansion-its-equity-trading> (June 15, 2021).

⁴ The Exchange notes that the displayed portion of a Reserve Order is subject to the Exchange’s Displayed Price Sliding Process under Exchange Rule 2614(g)(1) and the Reserve Quantity will be adjusted pursuant to the Non-Displayed Price Sliding Process under Exchange Rule 2614(g)(2). See Exchange Rule 2614(c)(8).

in turn, impacted how the System⁵ determines whether a short sale order is to be re-priced to comply with Regulation SHO. For instance, Exchange Rule 2614(g)(3)(C) provides that, “[d]uring a Short Sale Period, a short sale order will be executed and displayed without regard to price if, at the time of initial display of the short sale order, the order was at a price above the then current NBB.” In other words, an order that is displayed at a price above the National Best Bid (“Permitted Price”) may stand its ground during a Short Sale Period when the National Best Bid changes and does not need to be re-priced to a new Permitted Price.⁶ The same is not true for a non-displayed short sale order, which cannot stand its ground, and must continue to be re-priced to a Permitted Price during a Short Sale Period. Therefore, the System must account for the different treatment of displayed and non-displayed orders during a Short Sale Period and this, in turn, resulted in necessary technology changes to account for the different re-pricing processes for the displayed and non-displayed portions of an order with a Reserve Quantity. In connection with these changes, the Exchange justly assessed, among other things, its repricing processes and their relationship with a position change made via a Cancel/Replace message when a Short Sale Period is in effect and whether any additional changes were necessary to ensure the ongoing resiliency of its re-pricing processes. As a result of the above technology changes and the interaction of these changes and the current operation of the System, it became apparent to the Exchange that the change to the technology underlying its re-pricing

⁵ The term “System” means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

⁶ See, e.g., 17 CFR 242.201(b)(1)(iii)(A).

processes proposed herein is necessary to maintain the System's resiliency and ongoing performance. In sum, this change would adjust the Exchange's re-pricing process to reevaluate an order for execution when that order's position is changed via a Cancel/Replace message during a Short Sale Period and there is no corresponding change to the order's price.⁷ This will consequently result in that order receiving a new timestamp, including where the order's price remains unchanged. The Exchange has determined to propose this change due to underlying technology concerns related to the complexity of its order re-pricing processes and to reasonably ensure the continued operation and resiliency of its System. The Exchange submits this proposed rule change to make necessary technology changes to its re-pricing processes in an abundance of caution so that it may reinforce the reliability of its System and underlying technology.

Next, the Exchange proposes to replace the last paragraph that begins on the bottom of page 6 of the 19b-4 and the first full paragraph on page 20 of the Exhibit 1 with the following:

The proposed rule change reflects a necessary technology change that would improve the continued System resiliency and stability. The Exchange notes that the proposed rule change is designed to address a discrete and potentially limited scenario that a Short Sale Period must be in effect when the position change is made via a Cancel/Replace message. For example, between July 1, 2021 and September 7, 2021, all position changes made via a Cancel/Replace message were requested by one Equity Member and none of those position changes included a

⁷ Today, an order is not re-evaluated for execution when its position is changed via a Cancel/Replace message unless the order receives a new price.

price change and were requested during times when a Short Sale Period was not in effect. Therefore, under this proposal, none of those position changes would have resulted in the order receiving a new timestamp and experiencing a loss in priority. All other position changes were made by the Equity Member canceling their existing order and entering a new order.⁸

The proposed rule change is no different than where an order may receive a new timestamp when it is not re-priced, such as when an order's size is increased via a Cancel/Replace message. Further, as noted above, but for one Equity Member, other Equity Members seek to change their order's position by canceling their existing order and entering a new order with a new position. In this case, the order would be provided a new timestamp and experience a loss in priority. The same outcome would result under the proposed rule change where an order's position is changed via a Cancel/Replace message during a Short Sale Period.

Next, the Exchange proposes to replace the sentence that begins on page 10 and ends on page 11 of the 19b-4 and begins on page 23 and ends on page 24 of the Exhibit 1 with the following:

For example, an order whose position is changed from long to short during a Short Sale Period may not be priced at or below the national best bid and may either need to be repriced pursuant to the Exchange's Short Sale Price Sliding Process or cancelled based on the Equity Member's instructions.

⁸ If a Short Sale Period is not in effect, an order would retain its timestamp when its position is changed via a Cancel/Replace message.

Next, the Exchange proposes to add the following to footnote 23 of the 19b-4 and footnote 23 of the Exhibit 1 with the following:

A change in an order's price or position as well as an increase in an order's size via a Cancel/Replace message implicitly results in a new order. All Equity Members must, therefore, ensure continued compliance with the order marking and locate requirements of Regulation SHO (17 CFR 242.201) including compliance with Question 2.6 of the Commission's "Responses to Frequently Asked Questions Concerning Regulation SHO" available at <https://www.sec.gov/divisions/marketreg/mrfaqregsho1204.htm> (last visited September 8, 2021).

Next, the Exchange proposes to replace the last sentence of the first paragraph of Item 4 in the 19b-4 and Section II.B. of the Exhibit 1 with the following:

In each case, the order will receive a new timestamp at the time the position was changed via a Cancel/Replace message.

Next, the Exchange proposes to replace the last sentence of the last paragraph of Item 4 in the 19b-4 and Section II.B. of the Exhibit 1 with the following:

Equity Members who make position changes during a Short Sale Period may consider the potential that their order may lose priority and may choose to price their orders more aggressively to improve their price position on the MIAX Pearl Equities Book.

Request for Accelerated Approval

The Exchange requests that the Commission find good cause to grant accelerated approval of SR-PEARL-2021-35, as amended by this Partial Amendment No. 1, pursuant to

Section 19(b)(2) of the Exchange Act. On July 20, 2021, the Exchange filed with the Commission a proposed rule change to amend Exchange Rule 2616, Priority of Orders, to provide that an order will receive a new timestamp when its position is modified via a Cancel/Replace message during a Short Sale Period.⁹ The Commission published the Proposal for notice and comment in the Federal Register on August 6, 2021.¹⁰ The comment period expired on August 27, 2021 and no comments were submitted. Accelerated approval would allow the Exchange to implement the necessary technology change that would ensure continued System resiliency and stability in a timely manner. These technology changes cannot be implemented until the Proposal is approved by the Commission.

The Exchange now submits this Partial Amendment to provide additional specificity and justification for the Proposal. This Partial Amendment does not alter the Proposal in any other manner. Specifically, Partial Amendment No. 1 provides additional explanation and rationale behind the need for the Proposal, describes how the Proposal should have minimal impact based on past trading activity on the Exchange, enhances statements concerning each Equity Member's obligations to comply with Regulation SHO, and corrects minor typographical errors. None of these changes raise any new issues, nor does it make any substantive or material changes to the Proposal. Rather, Partial Amendment No. 1 provides further justification and explanation of the reasoning behind the Proposal to provide market participants with a better understanding of the Proposal's anticipated minimal impact and the Exchange's need to propose this rule change.

⁹ Exchange Rule 2614(g)(3)(A) defines a Short Sale Period as the time when "a short sale price test restriction under Rule 201 of Regulation SHO" is in effect. 17 CFR 242.201.

¹⁰ See supra note 1.