SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-101759; File No. 4-845)

November 26, 2024

Self-Regulatory Organizations; MIAX Emerald, LLC; Notice of Filing of Proposed Minor Rule Violation Plan

Pursuant to Section 19(d)(1) of the Securities Exchange Act of 1934 (the "Act"),[1] and Rule 19d-1(c)(2) thereunder,[2] notice is hereby given that on November 19, 2024, MIAX Emerald, LLC ("Emerald" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") a proposed minor rule violation plan ("MRVP") with sanctions not exceeding $2,500 which would not be subject to the provisions of Rule 19d-1(c)(1) of the Act[3] requiring that a self-regulatory organization ("SRO") promptly file notice with the Commission of any final disciplinary action taken with respect to any person or organization.[4] In accordance with Rule 19d-1(c)(2) under the Act,[5] the Exchange proposes to designate certain specified rule violations as minor rule violations, and requests that it be relieved of the prompt reporting requirements regarding such violations, provided it gives notice of such violations to the Commission on a quarterly basis.

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1 15 U.S.C. 78s(d)(1).

2 17 CFR 240.19d-1(c)(2).

3 17 CFR 240.19d-1(c)(1).

4 The Commission adopted amendments to paragraph (c) of Rule 19d-1 to allow SROs to submit for Commission approval plans for the abbreviated reporting of minor disciplinary infractions. See Securities Exchange Act Release No. 21013 (June 1, 1984), 49 FR 23828 (June 8, 1984). Any disciplinary action taken by an SRO against any person for violation of a rule of the SRO which has been designated as a minor rule violation pursuant to such a plan filed with and declared effective by the Commission shall not be considered "final" for purposes of Section 19(d)(1) of the Act if the sanction imposed consists of a fine not exceeding $2,500 and the sanctioned person has not sought an adjudication, including a hearing, or otherwise exhausted his administrative remedies.

5 17 CFR 240.19d-1(c)(2).

The Exchange proposes to include in its MRVP the procedures and violations currently included in Exchange Rule 1014 ("Imposition of Fines for Minor Rule Violations").[6] According to the Exchange's proposed MRVP, under Rule 1014, the Exchange may impose a fine (not to exceed $2,500) on any Member, or person associated with or employed by a Member, for any rule violation listed in Rule 1014(d).[7] The Exchange shall serve the person against whom a fine is imposed with a written statement setting forth the rule or rules allegedly violated, the act or omission constituting each such violation, the fine imposed for each violation, and the date by which such determination becomes final or by which such determination must be paid or contested. If the person against whom the fine is imposed pays the fine, such payment shall be deemed to be a waiver of such person's right to a disciplinary proceeding and any review of the matter under the Exchange rules. Any person against whom a fine is imposed may contest the Exchange's determination by filing with the Exchange a written answer, at which point the matter shall become a disciplinary proceeding.

The Exchange proposes that, as set forth in Exchange Rule 1014(d), violations of the following rules would be appropriate for disposition under the MRVP: Rule 307 (Position Limits); Rule 803 (Focus Reports); Rule 804 (Requests for Trade Data); Rule 520 (Order Entry); Rule 603 (Quotation Parameters); Rule 605 (Execution of Orders in Appointed Options); Rule 314 (Mandatory Systems Testing); Rule 700 (Exercise of Option Contracts); Rule 309 (Exercise Limits); Rule 310 (Reports Related to Position Limits); Rule 403 (Trading in Restricted Classes);

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6 The Exchange received its grant of registration on December 20, 2018, which included approving the rules that govern the Exchange. The Exchange notes that certain chapters of the Exchange's rules are incorporated by reference from the rules of the Exchange's affiliate Miami International Securities Exchange, LLC (MIAX Options). Specifically, Chapter X, DISCIPLINE, which contains Rule 1014, Imposition of Fines for Minor Rule Violations.

7 While Rule 1014 allows the Exchange to administer fines up to $5,000, the Exchange is only seeking relief from the reporting requirements of paragraph (c)(1) of Rule 19d-1 for fines administered under Rule 1014(d) that do not exceed $2,500.

Rule 604 (Market Maker Quotations); Rule 1904 (Failure to Timely File Amendments to Form U4, Form U5, and Form BD); and Rules 1701-1713 (Failure to Comply with the Consolidated Audit Trail Compliance Rule Under Chapter XVII). The Exchange states that it is specifically excluding Rule 1014(d)(4), Conduct and Decorum Policies, from this filing.

Upon the Commission's declaration of effectiveness of the MRVP, the Exchange will provide to the Commission a quarterly report for any actions taken on minor rule violations under the MRVP. The quarterly report will include: the disposition date, the name of the firm/individual, the Exchange's internal enforcement number, the review period, the nature of the violation type, the number of the rule that was violated, the number of instances the violation occurred, and the sanction imposed.

Based on compliance with the above, the Exchange requests that the rule violations designated in Rule 1014(d) be designated as minor rule violations subject to a minor rule violation reporting plan and that the Exchange be relieved of the current reporting requirements regarding such violations. In addition, going forward, to the extent that there are any changes to the rules applicable to the Exchange's MRVP, the Exchange requests that the Commission deem such changes to be modifications to the Exchange's MRVP.

I. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed MRVP is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or

Send an email to rule-comments@sec.gov. Please include File No. 4-845 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 No. 4-845. This file number should be included on the subject line if email 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 (https://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed MRVP that are filed with the Commission, and all written communications relating to the proposed MRVP 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 a.m. and 3 p.m. Copies of the proposed MRVP also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File No. 4-845 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

II. Date of Effectiveness of Proposed Minor Rule Violation Plan and Timing for Commission Action

Pursuant to Section 19(d)(1) of the Act and Rule 19d-1(c)(2) thereunder,[8] after [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*], the Commission may, by order, declare the Exchange's proposed MRVP effective if the plan is consistent with the public interest, the protection of investors, or otherwise in furtherance of the purposes of the Act. The Commission in its order may restrict the categories of violations to be designated as minor rule violations and may impose any other terms or conditions to the proposed MRVP, File No. 4-845, and to the period of its effectiveness, which the Commission deems necessary or appropriate in the public interest, for the protection of investors or otherwise in furtherance of the purposes of the Act.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Sherry R. Haywood,

Assistant Secretary.

8 15 U.S.C. 78s(d)(1); 17 CFR 240.19d-1(c)(2).

9 17 CFR 200.30-3(a)(44).