

1. Text of the Proposed Rule Change

(a) Miami International Securities Exchange, LLC (“MIAX” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² proposes to amend the MIAX Options Exchange Fee Schedule (the “Fee Schedule”) to remove (i) all transaction fees and rebates for SPIKES options (described below);(ii) the SPIKES Options Market Maker Incentive Program (the “Incentive Program”), which expires on January 31, 2025,³ from Section 1)b)i) of the Fee Schedule; and (iii) all references to Proprietary Products⁴ from Sections 3)b) and 5)d)ii) of the Fee Schedule. The Exchange proposes to implement the changes to the Fee Schedule pursuant to this proposal on February 1, 2025.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and a copy of the applicable section of the Fee Schedule is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Chief Executive Officer of the Exchange or duly appointed designee pursuant to authority delegated by the MIAX Board of Directors on January 19, 2024. Exchange staff will advise the Board of Directors of any action taken pursuant

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See MIAX Options Exchange Regulatory Circular 2024-54, Updated SPIKES Options Market Maker Incentive Program (September 26, 2024), available at https://www.miaxglobal.com/sites/default/files/circular-files/MIAX_Options_RC_2024_54.pdf.

⁴ SPIKES is a “Proprietary Product.” The term “Proprietary Product” means a class of options that is listed exclusively on the Exchange. See Exchange Rule 100.

to delegated authority. No other action by the Exchange is necessary for the filing of the proposed rule change.

Questions and comments on the proposed rule change may be directed to Gregory P. Ziegler, VP, Senior Counsel, at (609) 897-1483.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a. Purpose

The Exchange proposes to remove all transaction fees and rebates for SPIKES options and the Incentive Program from Section 1)b)i) of the Fee Schedule and to reserve Section 1)b) for future use. In addition, the Exchange proposes to remove all references to Proprietary Products from Sections 3)b) and 5)d)ii) of the Fee Schedule.

Background

On October 12, 2018, the Exchange received approval from the U.S. Securities and Exchange Commission ("Commission") to list and trade on the Exchange options on the SPIKES[®] Index, a new index that measures expected 30-day volatility of the SPDR S&P 500 ETF Trust (commonly known and referred to by its ticker symbol, "SPY").⁵ The Exchange adopted its initial SPIKES options transaction fees on February 15, 2019, and adopted a new

⁵ See Securities Exchange Act Release No. 84417 (October 12, 2018), 83 FR 52865 (October 18, 2018) (SR-MIAX-2018-14) (Order Granting Approval of a Proposed Rule Change by Miami International Securities Exchange, LLC to List and Trade on the Exchange Options on the SPIKES[®] Index).

section of the Fee Schedule for those fees.⁶ Specifically, the Exchange (i) adopted both Maker⁷ and Taker⁸ fees for simple orders, fees for simple opening orders and complex orders, and simple/complex large trade discount;⁹ (ii) adopted transaction fees related to MIAX Price Improvement Mechanism (“PRIME”)¹⁰ and MIAX Complex Price Improvement Mechanism (“cPRIME”)¹¹ orders in SPIKES, an index license surcharge,¹² (iii) adopted fees for the opening process in SPY options that will only be applicable on SPIKES settlement day; and (iv) made a technical clarification to the Fee Schedule. Options on the SPIKES Index began trading on the Exchange on February 19, 2019.

On March 29, 2019, the Exchange filed the proposal (SR–MIAX–2019–18) to: (i) adopt new fees for SPIKES Combinations; (ii) change the complex fees so that complex orders are

⁶ See Securities Exchange Release No. 85283 (March 11, 2019), 84 FR 9567 (March 15, 2019) (SR-MIAX-2019-11). The Exchange initially filed the proposal on February 15, 2019 (SR-MIAX-2019-04). That filing was withdrawn and replaced with SR-MIAX-2019-11. On September 30, 2020, the Exchange filed its proposal to, among other things, reorganize the Fee Schedule to adopt new Section 1(b), Proprietary Products Exchange Fees, and moved the fees and rebates for SPIKES options into new Section 1(b)i). See Securities Exchange Act Release Nos. 90146 (October 9, 2020), 85 FR 65443 (October 15, 2020) (SR-MIAX-2020-32); 90814 (December 29, 2020), 86 FR 327 (January 5, 2021) (SR-MIAX-2020-39).

⁷ Market participants that place resting liquidity, i.e., quotes or orders on the MIAX Options system, are assessed the “maker” fee (each a “Maker”). See *id.*

⁸ Market participants that execute against (remove) resting liquidity on the MIAX Options system are assessed a higher “taker” fee (each a “Taker”). See *supra* note 6.

⁹ An order/quote that exceeds the size threshold, tied to a single order/quote ID, will have the relevant fees apply to the contracts at and below the size threshold for simple and complex volume; no fees shall apply to the number of contracts executed above the threshold, with certain exceptions. See *supra* note 6.

¹⁰ PRIME is a process by which a Member may electronically submit for execution an order it represents as agent against principal interest, and/or an Agency Order against solicited interest. See Exchange Rule 515A.

¹¹ “cPRIME” is the process by which a Member may electronically submit a “cPRIME Order” (as defined in Rule 518(b)(7)) it represents as agent (a “cPRIME Agency Order”) against principal or solicited interest for execution (a “cPRIME Auction”). See Exchange Rule 515A, Interpretations and Policies .12.

¹² An index license surcharge of \$0.075 will apply to any contract that is executed by an origin except Priority Customer. The surcharge applies per contract side per leg. See Securities Exchange Act Release No. 85283 (March 11, 2019), 84 FR 9567 (March 15, 2019) (SR-MIAX-2019-11). 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 account(s). See Exchange Rule 100.

charged the same fees as simple orders of the same Origin (and combined in the same fee table), using the simple maker and taker fee structure already in place; (iii) adjust the number of contracts in the simple large trade discount threshold, adjust the number of contracts in the complex large trade discount threshold, and create a new, stand-alone column in the table for the complex large trade discount; (iv) establish a new PRIME large trade discount and a new cPRIME large trade discount; and (v) make a non-substantive, technical change to the Fee Schedule.¹³

On April 29, 2019, the Exchange filed the proposal (SR-MIAX-2019-22) to adopt new fees for SPIKES Combinations¹⁴ in cPRIME and make minor non-substantive, technical changes to the Fee Schedule.¹⁵

On May 31, 2019, the Exchange filed the proposal (SR-MIAX-2019-29) to adopt a new Market Turner Incentive Program that provides rebates to Market Makers that submit aggressively priced quotes in SPIKES options.

On September 30, 2021, the Exchange filed its initial proposal (SR-MIAX-2021-45) to implement the Incentive Program for SPIKES options to incentivize Market Makers to improve liquidity, available volume, and the quote spread width of SPIKES options beginning October 1, 2021, and ending December 31, 2021.¹⁶ Technical details regarding the Incentive Program were

¹³ See Securities Exchange Release No. 85693 (April 18, 2019), 84 FR 17207 (April 24, 2019) (SR-MIAX-2019-20). The Exchange initially filed the proposal on March 29, 2019 (SR-MIAX-2019-18). That filing was withdrawn and replaced with SR-MIAX-2019-20. See Securities Exchange Release No. 85693 (April 18, 2019), 84 FR 17207 (April 24, 2019) (SR-MIAX-2019-20).

¹⁴ “Combination” is a purchase (sale) of a SPIKES call option and the sale (purchase) of a SPIKES put option having the same expiration date and strike price. See Securities Exchange Release No. 85808 (May 8, 2019), 84 FR 21371 (May 14, 2019) (SR-MIAX-2019-22).

¹⁵ Id.

¹⁶ See SR-MIAX-2021-45 (withdrawn without being noticed).

published in a Regulatory Circular on September 30, 2021.¹⁷ On October 12, 2021, the Exchange withdrew SR-MIAX-2021-45 and refiled its proposal to implement the Incentive Program to provide additional details.¹⁸ In that filing, the Exchange specifically noted that the Incentive Program would expire at the end of the period (December 31, 2021) unless the Exchange filed another 19b-4 Filing to amend the fees (or extend the Incentive Program).¹⁹

On July 28, 2022, the Exchange filed the proposal (SR-MIAX-2022-27) to (1) amend certain fees and rebates for simple and complex transactions in SPIKES options; (2) adopt a new Routing EEM Rebate Program for certain SPIKES option orders routed to the Exchange to attract more Priority Customer order flow in SPIKES options; (3) remove the Market Turner Incentive Program; and (4) amend certain PRIME and cPRIME fees.²⁰

Between December 23, 2021, and September 27, 2024, the Exchange filed several proposals to extend the Incentive Program, with the last extension period ending January 31, 2025.²¹ In each of those filings, the Exchange specifically noted that the Incentive Program

¹⁷ See MIAx Options Regulatory Circular 2021-56, SPIKES Options Market Maker Incentive Program (September 30, 2021), available at https://www.miaxglobal.com/sites/default/files/circular-files/MIAx_Options_RC_2021_56.pdf.

¹⁸ See Securities Exchange Act Release No. 93424 (October 26, 2021), 86 FR 60322 (November 1, 2021) (SR-MIAX-2021-49).

¹⁹ See *id.*

²⁰ See Securities Exchange Act Release No. 95478 (August 11, 2022), 87 FR 50657 (August 17, 2022) (SR-MIAX-2022-27).

²¹ See Securities Exchange Act Release Nos. 93881 (December 30, 2021), 87 FR 517 (January 5, 2022) (SR-MIAX-2021-63); 94574 (April 1, 2022), 87 FR 20492 (April 7, 2022) (SR-MIAX-2022-12); 95259 (July 12, 2022), 87 FR 42754 (July 17, 2022) (SR-MIAX-2022-24); 96007 (October 7, 2022), 87 FR 62151 (October 13, 2022) (SR-MIAX-2022-32); 96588 (December 28, 2022), 88 FR 381 (January 4, 2023) (SR-MIAX-2022-47); 97239 (April 3, 2023), 88 FR 20930 (April 7, 2023) (SR-MIAX-2023-13); 97883 (July 12, 2023), 88 FR 45941 (July 18, 2023) (SR-MIAX-2023-26); 99040 (November 29, 2023), 88 FR 84374 (December 5, 2023) (SR-MIAX-2023-47); 99902 (April 3, 2024), 89 FR 24883 (April 9, 2024) (SR-MIAX-2024-17); 100468 (July 9, 2024), 89 FR 57445 (July 15, 2024) (SR-MIAX-2024-26); and 101289 (October 9, 2024), 89 FR 83529 (October 16, 2024) (SR-MIAX-2024-39).

would expire at the end of the then-current period unless the Exchange filed another 19b-4 Filing to amend the fees (or extend the Incentive Program).²²

Proposal

The Exchange proposes to amend Section 1)b)i) to remove all transaction fees and rebates for SPIKES options and the Incentive Program. All SPIKES options expired on January 22, 2025, and for business and competitive reasons the Exchange will not list additional SPIKES option expirations. Additionally, the Incentive Program ended on January 31, 2025,²³ and with no listed SPIKES options, the Incentive Program is no longer necessary.

The Exchange also proposes to change the heading in Section 1)b) of the Fee Schedule from “Proprietary Products Exchange Fees” to “Reserved,” to reserve Section b) for future use and to keep the remainder of the Fee Schedule formatting intact.

Lastly, the Exchange proposes to remove all references to Proprietary Products from the Fee Schedule. Specifically, the Exchange proposes to remove the footnotes indicated by the symbol “Ω,” which provided an exclusion for Proprietary Products in Section 3)b) and 5)d)ii) of the Fee Schedule. The only Proprietary Product offered by the Exchange were SPIKES options. All SPIKES options listed on the Exchange expired on January 22, 2025, and the Exchange will not list additional SPIKES option expirations for business and competitive reasons, therefore the Exchange proposes to remove all references to Proprietary Products, inclusive of footnotes that refer to Proprietary Products, from the Fee Schedule.

Implementation

The proposed fee changes will become effective beginning February 1, 2025.

²² See id.

²³ See supra note 3.

b. Statutory Basis

The Exchange believes that the proposed changes are consistent with Section 6(b) of the Act²⁴ in general, and furthers the objectives of Section 6(b)(5) of the Act,²⁵ in particular, they are designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, 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 will provide greater clarity to Members and the public regarding the Exchange's Fee Schedule by removing all transaction fees and rebates for SPIKES options in addition to the Incentive Program as the Exchange will not continue to list SPIKES options. Removing all references to Proprietary Products will also provide greater clarity to Members and the public as the only Proprietary Product offered by the Exchange was SPIKES options which are no longer listed on the Exchange. It is in the public interest for the Exchange's Fee Schedule to be accurate so as to eliminate the potential for confusion.

4. 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.

²⁴ 15 U.S.C. 78f(b).

²⁵ 15 U.S.C. 78f(b)(4) and (5).

Intra-Market Competition

The Exchange believes that the proposal to remove all transaction fees and rebates for SPIKES options would have no impact on intra-market competition because it applies to all Members equally. The proposed changes to remove all transaction fees and rebates for SPIKES options, the Incentive Program, and all references to Proprietary Products will have no impact on competition as they are not designed to address any competitive issue but rather are designed to remove obsolete text from the Fee Schedule. All SPIKES options listed on the Exchange expired on January 22, 2025, and for business and competitive reasons the Exchange will not list additional SPIKES option expirations. Additionally, by its terms, the Incentive Program ended on January 31, 2025,²⁶ and with no listed SPIKES options the Incentive Program is no longer necessary. The proposal to remove all references to Proprietary Products is to remove obsolete text from the Fee Schedule because the only Proprietary Product offered by the Exchange was SPIKES options which are no longer listed on the Exchange.

Inter-Market Competition

The Exchange does not believe that the proposed rule changes will impose any burden on inter-market competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed removal of transaction fees and rebates, the Incentive Program, and references to Proprietary Products applies only to SPIKES options, which were traded exclusively on the Exchange.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

²⁶

See supra note 3.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,²⁷ and Rule 19b-4(f)(2) thereunder,²⁸ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another exchange or of the Commission.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

1. Notice of proposed rule for publication in the Federal Register.
5. Applicable Section of the Fee Schedule.

²⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

²⁸ 17 CFR 240.19b-4.