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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2024 - * 10

Amendment No. (req. for Amendments *)

Filing by Miami International Securities Exchange, LLC.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		Please select "New Form/19b-4(f)(6) Non-controversial" to create 19b-4(f)(6) filing.
			<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 checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend Exchange Rule 1308, Supervision of Accounts, to extend the temporary remote inspection relief for Members through June 30, 2024.

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 * Michael Last Name * Slade

Title * AVP, Associate Counsel

E-mail * mslade@miaxglobal.com

Telephone * (609) 897-8499 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Miami International Securities Exchange, L has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 02/06/2024 (Title *)

By Michael Slade AVP, Associate Counsel
(Name *)

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: 2024.02.06 14:16:25 -05'00'

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 EDFS website.

Form 19b-4 Information *

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SR-MIAX-2024-10 - 19b4.docx

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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SR-MIAX-2024-10 - Exhibit 1.docx

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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SR-MIAX-2024-10 - Exhibit 5.docx

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.

1. Text of 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 Exchange Rule 1308, Supervision of Accounts, to extend the temporary remote inspection relief for Members³ through June 30, 2024.

Notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the proposed amended rule text 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 his designee pursuant to authority delegated by the Exchange Board of Directors on January 19, 2024. Exchange staff will advise the Board of Directors of any action taken pursuant 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 Tanya Kitaigorovski, AVP, Associate Counsel, at (609) 413-5787.

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

a. Purpose

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The term “Member” means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

The Exchange proposes to amend Exchange Rule 1308, Supervision of Accounts, to extend the temporary remote inspection relief for Members through June 30, 2024. The Exchange makes this proposal to provide its Members continuity related to conducting inspections as part of satisfying the obligations of Exchange Rule 1308, Supervision of Accounts, at offices and locations requiring inspection during the first half of calendar year 2024.⁴ The Exchange believes that the proposed extension is necessary to provide firms the time to prepare for the implementation of the FINRA pilot program on remote inspections (“FINRA Pilot Program”). The U.S. Securities and Exchange Commission (“Commission” or “SEC”) approved the FINRA Pilot Program on November 17, 2023,⁵ and on January 23, 2024, FINRA announced the implementation date of July 1, 2024.⁶ The Exchange plans to make a rule filing to incorporate the FINRA Pilot Program into Exchange Rule 1308, Supervision of Accounts, prior to the FINRA Pilot Program implementation date.

The COVID-19 pandemic has caused a host of operational disruptions to the securities industry and impacted Members, regulators, investors, and other stakeholders. In response to the pandemic, the Exchange began providing temporary relief to Members from specified Exchange Rules and requirements, including Exchange Rule 1308(d), Annual Branch Office Inspections,

⁴ Commission staff and FINRA have stated in guidance that inspections must include a physical, on-site review component. See SEC National Examination Risk Alert, Volume I, Issue 2 (November 30, 2011) and FINRA Regulatory Notice 11-54 (November 2011) (joint SEC and FINRA guidance stating, a “broker-dealer must conduct onsite inspections of each of its office locations; [OSJs] and non-OSJ branches that supervise non-branch locations at least annually, all non-supervising branch offices at least every three years; and non-branch offices periodically.”) (footnote defining an OSJ omitted). See also SEC Division of Market Regulation, Staff Legal Bulletin No. 17: Remote Office Supervision (March 19, 2004) (stating, in part, that broker-dealers that conduct business through geographically dispersed offices have not adequately discharged their supervisory obligations where there are no on-site routine or “for cause” inspections of those offices).

⁵ See Securities Exchange Act Release Nos. 97398 (April 28, 2023), 88 FR 28620 (May 4, 2023) (“FINRA Pilot Program Proposal”); 98982 (November 17, 2023), 88 FR 82464 (November 24, 2023) (“FINRA Pilot Program Approval Order”) (SR-FINRA-2023-007).

⁶ See FINRA Regulatory Notice 24-02 (“FINRA Pilot Program Notice”), <https://www.finra.org/rules-guidance/notices/24-02>. See supra note 5.

for calendar years 2020, 2021, 2022, and 2023, subject to specified conditions,⁷ due to the logistical challenges of going on-site while public health and safety concerns related to COVID-19 persisted. The temporary relief provided in Exchange Rule 1308(d), Annual Branch Office Inspection, lapsed on December 31, 2023.

The pandemic accelerated the industry's adoption of a broad remote work environment and the Exchange recognizes that the pandemic has profoundly changed attitudes on where work can occur. As a result of this change many firms have adopted, in varying scale, hybrid work models involving personnel who are working at least part time from alternative work locations (e.g., private residences). As part of an effort to modernize its rules to reflect evolving technologies and business models, in April 2023, FINRA filed the FINRA Pilot Program with the Commission.⁸ The FINRA Pilot Program provides for a voluntary, three-year remote inspection pilot program to allow broker-dealers to elect to fulfill their obligation under FINRA Rule 3110(c), Internal Inspections, by conducting inspections of some or all branch offices and non-branch locations remotely without an on-site visit to such office or location, subject to specified terms. On November 17, 2023, the Commission approved the FINRA Pilot Program.⁹ The FINRA Pilot Program is designed to allow both FINRA and the firms that are planning to participate in the FINRA Pilot Program additional time to develop the technology and processes

⁷ See Securities Exchange Act Release Nos. 90937 (January 15, 2021), 86 FR 6944 (January 25, 2021) (SR-MIAX-2021-01) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 1308, Supervision of Accounts, To Adopt Temporary Rules To Extend the Time by Which Members Must Complete Their Branch Office Inspections for the Calendar Year 2020 and To Provide Temporary Remote Inspection Relief for Their Office Inspections for Calendar Years 2020 and 2021); 94251 (February 15, 2022), 87 FR 9764 (February 22, 2022) (SR-MIAX-2022-09) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange, LLC To Amend Exchange Rule 1308, Supervision of Accounts); and 96867 (February 9, 2023), 88 FR 9919 (February 15, 2023) (SR-MIAX-2022-04) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 1308, Supervision of Accounts).

⁸ See supra note 5.

⁹ Id.

that will be essential to operationalize compliance with the FINRA Pilot Program's requirements. For example, firms will need to conduct an eligibility review, and conduct and document a risk assessment for each office and location that they elect to inspect remotely, and implement technology to collect and report the required data and information to FINRA. Firms that do not elect to participate or would be excluded from participating in the FINRA Pilot Program will also be impacted and would need additional time to staff, schedule, and resume on-site inspections of offices or locations¹⁰ within the context of some lingering health concerns and fluid work locations.¹¹

In sum, as calendar year 2024 begins, the proposed extension of Exchange Rule 1308(d) would provide firms continuity in meeting their inspection obligations and would allow FINRA time to operationalize the FINRA Pilot Program. Relatedly, the proposed extension would give time for: (1) firms that are planning to participate in the FINRA Pilot Program to implement the processes needed to comply with the proposed terms therein; and (2) firms that are not planning to participate or are excluded from participating in the FINRA Pilot Program, to prepare to

¹⁰ See *supra* note 4.

¹¹ While the World Health Organization declared an end to COVID-19 as a public health emergency, COVID-19 remains an ongoing public health problem. See WHO Director-General, Statement on the fifteenth meeting of the IHR (2005) Emergency Committee on the COVID-19 pandemic (May 5, 2023) (stating, in part, that the “[w]hile the global risk assessment remains high, there is evidence of reducing risks to human health...”), available at [https://www.who.int/news/item/05-05-2023-statement-on-the-fifteenth-meeting-of-the-international-health-regulations-\(2005\)-emergency-committee-regarding-the-coronavirus-disease-\(covid-19\)-pandemic?_sm_au=iVVWFFPz51g33QZrctQ2NK76F2NJ1](https://www.who.int/news/item/05-05-2023-statement-on-the-fifteenth-meeting-of-the-international-health-regulations-(2005)-emergency-committee-regarding-the-coronavirus-disease-(covid-19)-pandemic?_sm_au=iVVWFFPz51g33QZrctQ2NK76F2NJ1) (last visited January 10, 2024); see also Benjamin J. Silk, et al., COVID-19 Surveillance After Expiration of the Public Health Emergency Declaration — United States, May 11, 2023 (stating, among other things, that “[a]lthough COVID-19 no longer poses the societal emergency that it did when it first emerged in late 2019, COVID-19 remains an ongoing public health challenge. By April 26, 2023, more than 104 million U.S. COVID-19 cases, 6 million related hospitalizations, and 1.1 million COVID-19– associated deaths were reported to CDC[.]”), 72 MMWR Morb Mortal Wkly Rep, 523–528 (2023), <https://www.cdc.gov/mmwr/volumes/72/wr/pdfs/mm7219e1-H.pdf> (last visited January 10, 2024). Recent data on hospitalizations from the CDC indicate that the number of hospitalizations is up 20.4% in the most recent week (as of December 24 to December 30, 2023). See Centers for Disease Control and Prevents (“CDC”), COVID Data Tracker, Data Update for the United States, <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited January 10, 2024).

resume conducting on-site inspections of their offices and locations as part of satisfying the obligations of Exchange Rule 1308(d).

The Exchange is not proposing to amend the other conditions of Exchange Rule 1308. The current conditions of the rule for firms that elect to conduct remote inspections would remain unchanged: such firms must amend or supplement their written supervisory procedures for remote inspections, use remote inspections as part of an effective supervisory system, and maintain the required documentation. The Exchange continues to believe this temporary remote inspection option is a reasonable alternative for firms to fulfill their Exchange Rule 1308 obligations under the current circumstances described above. This proposed extension is designed to maintain the investor protection objectives of the inspection requirements under these circumstances. As part of those objectives, firms should consider whether, under their particular operating conditions, continued reliance on Exchange Rule 1308(d) to conduct remote inspections would be reasonable under the circumstances. For example, firms with offices that are open to the public or that are otherwise doing business as usual should consider whether some in-person inspections would be feasible and add value to the firms' supervisory program. The Exchange emphasizes that the inspection requirement is one aspect of a firm's overall supervisory system, and that the inspection, whether done remotely under Exchange Rule 1308 or in accordance with the proposed FINRA Pilot Program, or on-site, would be held to the existing standards of review under Exchange Rule 1308.¹²

¹² Those standards provide, in part, that based on the factors set forth under that supplementary material, members "may need to provide for more frequent review of certain locations."

The Exchange notes that the proposed rule change is substantively identical to the proposed rule changes recently filed the Investors Exchange LLC (“IEX”).¹³ The Exchange notes that MIAX Chapter XIII is incorporated by reference into the rulebooks of the Exchange’s affiliates, MIAX PEARL, LLC (“MIAX Pearl”) and MIAX Emerald, LLC (“MIAX Emerald”). As such, the amendments to MIAX Chapter XIII proposed herein will also apply to MIAX Pearl and MIAX Emerald Chapters XIII.

b. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹⁴ Specifically, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5)¹⁵ requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5)¹⁶ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange’s rule proposal is intended to harmonize the Exchange’s supervision rules, specifically with respect to the requirements for

¹³ See Securities Exchange Act Release No. 99383 (Jan.17, 2024), 89 FR 4355 (Jan. 23, 2024) (SR-IEX-2024-02).

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

¹⁶ Id.

inspections of Members' branch offices and other locations, with those of FINRA, on which they are based. Consequently, the proposed change will conform the Exchange's rules to changes made to corresponding FINRA rules, thus promoting application of consistent regulatory standards with respect to rules that FINRA enforces pursuant to its regulatory services agreement with the Exchange. The proposed rule change would also avoid a potential lapse in the temporary relief while FINRA prepares for the implementation of its recently approved FINRA Pilot Program, and allow firms time to adapt to the pilot program, and prepare for conducting on-site inspections, as applicable, while continuing to serve and promote the protection of investors and the public interest.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not designed to address any competitive issue but to align the Exchange's rules with those of FINRA, which will assist FINRA in its oversight work done pursuant to a regulatory services agreement with the Exchange. The proposed rule change will also provide for consistent application of the Exchange's supervision rules with those of FINRA, on which they are based. Consequently, the Exchange does not believe that the proposed change implicates competition at all.

5. 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.

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) of the Act¹⁷ and Rule 19b-4(f)(6)¹⁸ thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

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. However, Rule 19b-4(f)(6)¹⁹ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

The Exchange believes that this filing is non-controversial because it raises no novel issues and is consistent with FINRA rules previously approved by or filed with the Commission. In particular, the purpose of the proposed rule change is to harmonize with and conform to FINRA rules. The Exchange believes that the proposal promotes the protection of investors as it will harmonize the Exchange's supervision rules with those of FINRA, which will simplify the oversight process conducted by FINRA pursuant to a regulatory services agreement with the Exchange. Moreover, the Exchange does not believe that the proposed rule change implicates competition at all because the proposed change aligns the Exchange's rules with those of

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6).

¹⁹ Id.

FINRA, which will assist it in its oversight work done pursuant to such regulatory services agreement. The proposed rule change is based on the recent changes by IEX,²⁰ and therefore, does not present any new or novel issues not already considered by the Commission.

The Exchange respectfully requests that the Commission waive the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective. Waiving the 30-day delay would permit the Exchange to harmonize its rules with FINRA, as described herein, upon effectiveness of the proposed rule filing. Since the rule proposal addresses the ability to conduct remote inspections for any inspections to be conducted through June 30, 2024, waiving the 30-day operative delay would provide assurances to Members that they can plan their 2024 inspection program under a harmonized rule set, while at the same time assuring that Members continue to perform their supervisory obligations. The Exchange notes that proposed rule change does not present any new or novel issues because the Exchange is harmonizing its supervision rules with those of FINRA, on which they are based. Further, waiver of the operative delay will avoid any potential confusion that may otherwise occur on the part of Members as to the applicable rules governing inspections of branch offices and other locations.

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 Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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

²⁰ See supra note 13.

The proposed rule change is based on FINRA Rule 3110.17 and the FINRA Pilot Program,²¹ as described in the Purpose section. The proposed rule change is also based on the recent changes by IEX.²²

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. Completed notice of proposed rule change for publication in the Federal Register.
5. Text of the proposed rule change.

²¹ See supra note 5.

²² See supra note 1320.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-MIAX-2024-10)

February ____, 2024

Self-Regulatory Organizations: Notice of Filing of a Proposed Rule Change by Miami International Securities Exchange, LLC to amend Exchange Rule 1308 to Extend the Temporary Remote Inspection Relief for Members Through June 30, 2024

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 February ____, 2024, Miami International Securities Exchange, LLC (“MIAX” 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 1308, Supervision of Accounts, to extend the temporary remote inspection relief for Members³ through June 30, 2024.

The text of the proposed rule change is available on the Exchange’s website at <https://www.miaxglobal.com/markets/us-options/miax-options/rule-filings>, at MIAX’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.

³ The term “Member” means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed “members” under the Exchange Act. See Exchange Rule 100.

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 1308, Supervision of Accounts, to extend the temporary remote inspection relief for Members through June 30, 2024. The Exchange makes this proposal to provide its Members continuity related to conducting inspections as part of satisfying the obligations of Exchange Rule 1308, Supervision of Accounts, at offices and locations requiring inspection during the first half of calendar year 2024.⁴ The Exchange believes that the proposed extension is necessary to provide firms the time to prepare for the implementation of the FINRA pilot program on remote inspections (“FINRA Pilot Program”). The U.S. Securities and Exchange Commission (“Commission” or “SEC”) approved the FINRA Pilot Program on November 17, 2023,⁵ and on January 23, 2024, FINRA announced the implementation date of July 1, 2024.⁶ The Exchange plans to make a rule filing

⁴ Commission staff and FINRA have stated in guidance that inspections must include a physical, on-site review component. See SEC National Examination Risk Alert, Volume I, Issue 2 (November 30, 2011) and FINRA Regulatory Notice 11-54 (November 2011) (joint SEC and FINRA guidance stating, a “broker-dealer must conduct onsite inspections of each of its office locations; [OSJs] and non-OSJ branches that supervise non-branch locations at least annually, all non-supervising branch offices at least every three years; and non-branch offices periodically.”) (footnote defining an OSJ omitted). See also SEC Division of Market Regulation, Staff Legal Bulletin No. 17: Remote Office Supervision (March 19, 2004) (stating, in part, that broker-dealers that conduct business through geographically dispersed offices have not adequately discharged their supervisory obligations where there are no on-site routine or “for cause” inspections of those offices).

⁵ See Securities Exchange Act Release Nos. 97398 (April 28, 2023), 88 FR 28620 (May 4, 2023) (“FINRA Pilot Program Proposal”); 98982 (November 17, 2023), 88 FR 82464 (November 24, 2023) (“FINRA Pilot Program Approval Order”) (SR-FINRA-2023-007).

⁶ See FINRA Regulatory Notice 24-02 (“FINRA Pilot Program Notice”), <https://www.finra.org/rules-guidance/notices/24-02>. See supra note 5.

to incorporate the FINRA Pilot Program into Exchange Rule 1308, Supervision of Accounts, prior to the FINRA Pilot Program implementation date.

The COVID-19 pandemic has caused a host of operational disruptions to the securities industry and impacted Members, regulators, investors, and other stakeholders. In response to the pandemic, the Exchange began providing temporary relief to Members from specified Exchange Rules and requirements, including Exchange Rule 1308(d), Annual Branch Office Inspections, for calendar years 2020, 2021, 2022, and 2023, subject to specified conditions,⁷ due to the logistical challenges of going on-site while public health and safety concerns related to COVID-19 persisted. The temporary relief provided in Exchange Rule 1308(d), Annual Branch Office Inspection, lapsed on December 31, 2023.

The pandemic accelerated the industry's adoption of a broad remote work environment and the Exchange recognizes that the pandemic has profoundly changed attitudes on where work can occur. As a result of this change many firms have adopted, in varying scale, hybrid work models involving personnel who are working at least part time from alternative work locations (e.g., private residences). As part of an effort to modernize its rules to reflect evolving technologies and business models, in April 2023, FINRA filed the FINRA Pilot Program with the Commission.⁸ The FINRA Pilot Program provides for a voluntary, three-year remote inspection pilot program to allow broker-dealers to elect to fulfill their obligation under FINRA

⁷ See Securities Exchange Act Release Nos. 90937 (January 15, 2021), 86 FR 6944 (January 25, 2021) (SR-MIAX-2021-01) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 1308, Supervision of Accounts, To Adopt Temporary Rules To Extend the Time by Which Members Must Complete Their Branch Office Inspections for the Calendar Year 2020 and To Provide Temporary Remote Inspection Relief for Their Office Inspections for Calendar Years 2020 and 2021); 94251 (February 15, 2022), 87 FR 9764 (February 22, 2022) (SR-MIAX-2022-09) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange, LLC To Amend Exchange Rule 1308, Supervision of Accounts); and 96867 (February 9, 2023), 88 FR 9919 (February 15, 2023) (SR-MIAX-2022-04) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 1308, Supervision of Accounts).

⁸ See supra note 5.

Rule 3110(c), Internal Inspections, by conducting inspections of some or all branch offices and non-branch locations remotely without an on-site visit to such office or location, subject to specified terms. On November 17, 2023, the Commission approved the FINRA Pilot Program.⁹ The FINRA Pilot Program is designed to allow both FINRA and the firms that are planning to participate in the FINRA Pilot Program additional time to develop the technology and processes that will be essential to operationalize compliance with the FINRA Pilot Program’s requirements. For example, firms will need to conduct an eligibility review, and conduct and document a risk assessment for each office and location that they elect to inspect remotely, and implement technology to collect and report the required data and information to FINRA. Firms that do not elect to participate or would be excluded from participating in the FINRA Pilot Program will also be impacted and would need additional time to staff, schedule, and resume on-site inspections of offices or locations¹⁰ within the context of some lingering health concerns and fluid work locations.¹¹

⁹ Id.

¹⁰ See supra note 4.

¹¹ While the World Health Organization declared an end to COVID-19 as a public health emergency, COVID-19 remains an ongoing public health problem. See WHO Director-General, Statement on the fifteenth meeting of the IHR (2005) Emergency Committee on the COVID-19 pandemic (May 5, 2023) (stating, in part, that the “[w]hile the global risk assessment remains high, there is evidence of reducing risks to human health...”), available at [https://www.who.int/news/item/05-05-2023-statement-on-the-fifteenth-meeting-of-the-international-health-regulations-\(2005\)-emergency-committee-regarding-the-coronavirus-disease-\(covid-19\)-pandemic?sm_au=iVVWFFPz51g33QZrctQ2NK76F2NJ1](https://www.who.int/news/item/05-05-2023-statement-on-the-fifteenth-meeting-of-the-international-health-regulations-(2005)-emergency-committee-regarding-the-coronavirus-disease-(covid-19)-pandemic?sm_au=iVVWFFPz51g33QZrctQ2NK76F2NJ1) (last visited January 10, 2024); see also Benjamin J. Silk, et al., COVID-19 Surveillance After Expiration of the Public Health Emergency Declaration — United States, May 11, 2023 (stating, among other things, that “[a]lthough COVID-19 no longer poses the societal emergency that it did when it first emerged in late 2019, COVID-19 remains an ongoing public health challenge. By April 26, 2023, more than 104 million U.S. COVID-19 cases, 6 million related hospitalizations, and 1.1 million COVID-19– associated deaths were reported to CDC[.]”), 72 MMWR Morb Mortal Wkly Rep, 523–528 (2023), <https://www.cdc.gov/mmwr/volumes/72/wr/pdfs/mm7219e1-H.pdf> (last visited January 10, 2024). Recent data on hospitalizations from the CDC indicate that the number of hospitalizations is up 20.4% in the most recent week (as of December 24 to December 30, 2023). See Centers for Disease Control and Prevents (“CDC”), COVID Data Tracker, Data Update for the United States, <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited January 10, 2024).

In sum, as calendar year 2024 begins, the proposed extension of Exchange Rule 1308(d) would provide firms continuity in meeting their inspection obligations and would allow FINRA time to operationalize the FINRA Pilot Program. Relatedly, the proposed extension would give time for: (1) firms that are planning to participate in the FINRA Pilot Program to implement the processes needed to comply with the proposed terms therein; and (2) firms that are not planning to participate or are excluded from participating in the FINRA Pilot Program, to prepare to resume conducting on-site inspections of their offices and locations as part of satisfying the obligations of Exchange Rule 1308(d).

The Exchange is not proposing to amend the other conditions of Exchange Rule 1308. The current conditions of the rule for firms that elect to conduct remote inspections would remain unchanged: such firms must amend or supplement their written supervisory procedures for remote inspections, use remote inspections as part of an effective supervisory system, and maintain the required documentation. The Exchange continues to believe this temporary remote inspection option is a reasonable alternative for firms to fulfill their Exchange Rule 1308 obligations under the current circumstances described above. This proposed extension is designed to maintain the investor protection objectives of the inspection requirements under these circumstances. As part of those objectives, firms should consider whether, under their particular operating conditions, continued reliance on Exchange Rule 1308(d) to conduct remote inspections would be reasonable under the circumstances. For example, firms with offices that are open to the public or that are otherwise doing business as usual should consider whether some in-person inspections would be feasible and add value to the firms' supervisory program. The Exchange emphasizes that the inspection requirement is one aspect of a firm's overall supervisory system, and that the inspection, whether done remotely under Exchange Rule 1308

or in accordance with the proposed FINRA Pilot Program, or on-site, would be held to the existing standards of review under Exchange Rule 1308.¹²

The Exchange notes that the proposed rule change is substantively identical to the proposed rule changes recently filed the Investors Exchange LLC (“IEX”).¹³ The Exchange notes that MIAX Chapter XIII is incorporated by reference into the rulebooks of the Exchange’s affiliates, MIAX PEARL, LLC (“MIAX Pearl”) and MIAX Emerald, LLC (“MIAX Emerald”). As such, the amendments to MIAX Chapter XIII proposed herein will also apply to MIAX Pearl and MIAX Emerald Chapters XIII.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹⁴ Specifically, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5)¹⁵ requirements that the rules of an exchange be 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes that the proposed rule change is consistent with the Section 6(b)(5)¹⁶

¹² Those standards provide, in part, that based on the factors set forth under that supplementary material, members “may need to provide for more frequent review of certain locations.”

¹³ See Securities Exchange Act Release No. 99383 (Jan.17, 2024), 89 FR 4355 (Jan. 23, 2024) (SR-IEX-2024-02).

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

¹⁶ Id.

requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange's rule proposal is intended to harmonize the Exchange's supervision rules, specifically with respect to the requirements for inspections of Members' branch offices and other locations, with those of FINRA, on which they are based. Consequently, the proposed change will conform the Exchange's rules to changes made to corresponding FINRA rules, thus promoting application of consistent regulatory standards with respect to rules that FINRA enforces pursuant to its regulatory services agreement with the Exchange. The proposed rule change would also avoid a potential lapse in the temporary relief while FINRA prepares for the implementation of its recently approved FINRA Pilot Program, and allow firms time to adapt to the pilot program, and prepare for conducting on-site inspections, as applicable, while continuing to serve and promote the protection of investors and the public interest.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not designed to address any competitive issue but to align the Exchange's rules with those of FINRA, which will assist FINRA in its oversight work done pursuant to a regulatory services agreement with the Exchange. The proposed rule change will also provide for consistent application of the Exchange's supervision rules with those of FINRA, on which they are based. Consequently, the Exchange does not believe that the proposed change implicates competition at all.

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

Pursuant to Section 19(b)(3)(A) of the Act¹⁷ and Rule 19b-4(f)(6)¹⁸ thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

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. However, Rule 19b-4(f)(6)¹⁹ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

The Exchange believes that this filing is non-controversial because it raises no novel issues and is consistent with FINRA rules previously approved by or filed with the Commission. In particular, the purpose of the proposed rule change is to harmonize with and conform to FINRA rules. The Exchange believes that the proposal promotes the protection of investors as it will harmonize the Exchange's supervision rules with those of FINRA, which will simplify the oversight process conducted by FINRA pursuant to a regulatory services agreement with the Exchange. Moreover, the Exchange does not believe that the proposed rule change implicates competition at all because the proposed change aligns the Exchange's rules with those of

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6).

¹⁹ Id.

FINRA, which will assist it in its oversight work done pursuant to such regulatory services agreement. The proposed rule change is based on the recent changes by IEX,²⁰ and therefore, does not present any new or novel issues not already considered by the Commission.

The Exchange respectfully requests that the Commission waive the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective. Waiving the 30-day delay would permit the Exchange to harmonize its rules with FINRA, as described herein, upon effectiveness of the proposed rule filing. Since the rule proposal addresses the ability to conduct remote inspections for any inspections to be conducted through June 30, 2024, waiving the 30-day operative delay would provide assurances to Members that they can plan their 2024 inspection program under a harmonized rule set, while at the same time assuring that Members continue to perform their supervisory obligations. The Exchange notes that proposed rule change does not present any new or novel issues because the Exchange is harmonizing its supervision rules with those of FINRA, on which they are based. Further, waiver of the operative delay will avoid any potential confusion that may otherwise occur on the part of Members as to the applicable rules governing inspections of branch offices and other locations.

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 Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

²⁰ See supra note 13.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-MIAX-2024-10 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-MIAX-2024-10. 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 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 a.m. and 3 p.m. Copies of the filing 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 number SR-MIAX-2024-10 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.²¹

Sherry R. Haywood,
Assistant Secretary

²¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined;
Deleted text is in [brackets]

MIAX Options Exchange Rules

Rule 1308. Supervision of Accounts

(a) – (c) (No Change.)

(d) **Annual Branch Office Inspections.**

(1) – (4) (No change.)

(5) Each Member obligated to conduct an inspection of a branch office or non-branch location in the calendar years specified in this Rule 1308(d)(5) pursuant to Rule 1308(d), as applicable, may, subject to the requirements of Rule 1308(d)(5), satisfy such obligation by conducting the applicable inspection remotely, without an on-site visit to the office or location. In accordance with Rule 1308(d)(4), inspections for calendar year 2020 must be completed on or before March 31, 2021, inspections for calendar year 2021 must be completed on or before December 31, 2021, [and] inspections for calendar year 2022 must be completed on or before December 31, 2022, and inspections for calendar year 2023 must be completed on or before December 31, 2023. With respect to a Member's obligation to conduct an inspection of an office or location in calendar year 202[3]4, a Member has the option to conduct those inspections remotely through June 30, 2024[December 31, 2023]. Notwithstanding Rule 1308(d)(5), a Member remains subject to the other requirements of Rule 1308(d).

(i) (No change.)

(ii) **Effective Supervisory System.** The requirement to conduct inspections of offices and locations is one part of a Member's overall obligation to have an effective supervisory system and therefore, a Member must continue with its ongoing review of the activities and functions occurring at all offices and locations, whether or not the Member conducts inspections remotely. A Member's use of a remote inspection of an office or location will be held to the same standards for review as set forth under Rule 1308(d). Where a Member's remote inspection of an office or location identifies any indicators of irregularities or misconduct (i.e., "red flags"), the Member may need to impose additional supervisory procedures for that office or location or may need to provide for more frequent monitoring or oversight of that office or location, including potentially a subsequent physical, on-site visit on an announced or unannounced basis when the branch office's operational difficulties associated with COVID-19 abate, nationally or locally as relevant, and the challenges a branch office is facing in light of the public health and safety concerns make such on-site visits feasible using reasonable best efforts. The temporary relief provided by Rule 1308(d)(5) does not extend to a Member's inspection requirements beyond[the

earlier of the effective date of the pilot program proposed in File No. SR-FINRA-2022-021, if approved, or December 31, 2023] June 30, 2024 and such inspections must be conducted in compliance with Rule 1308(d)(1) through (3).

(iii) (No change.)

(e) – (k) (No change.)
