



DATE: February 28, 2019
TO: MIAX Emerald Members
FROM: MIAX Emerald Regulatory Department
RE: MIAX Emerald Business Continuity and Disaster Recovery Plans Testing
Member Designation Standards

In coordination with other market centers and in support of Regulation Systems Compliance and Integrity (“Regulation SCI”) and MIAX Emerald Rule 321, Business Continuity and Disaster Recovery Plans Testing Requirements for Designated Members, which Rule is incorporated by reference to Rule 321 of MIAX Options, certain MIAX Emerald Members (“Members”) will have mandatory participation requirements in the annual SIFMA Business Continuity Planning Disaster Recovery (“BC/DR”) test.

Within fifteen (15) calendar days following the end of the measurement quarter MIAX Emerald will provide notice to qualifying Members that will have a mandatory BC/DR testing participation requirement. Members that qualify for mandatory participation will be expected to participate in the BC/DR test. Required participants will be expected to submit a meaningful amount of quotes and/or orders to the MIAX Emerald CH4 Disaster Recovery (“MIAX Emerald DR”) site during the test and the expected level of order activity will be coordinated between the MIAX Emerald Exchange and the Member. While Non-qualifying Members are also encouraged to participate, they are not obligated to do so and will have no registration or volume requirements if they participate.

MIAX Emerald will notify Designated Members of the date of MIAX Emerald’s next scheduled BC/DR plans testing and BC/DR Plans Testing Requirements in advance of such testing date.

Designation Standards

Electronic Exchange Members (EEMs):

- MIAX Emerald EEMs providing the largest order flow executed volume on the MIAX Emerald Exchange which, when combined with order flow volume of all other MIAX Emerald EEMs providing the largest order flow volume, equals or exceeds 70% of total order flow executed volume on the MIAX Emerald Exchange.

Market Makers (MMs):

- MIAX Emerald MMs providing the largest MM executed volume on the MIAX Emerald Exchange which, when combined with MM volume of all other MIAX Emerald MMs providing the largest MM executed volume, equals or exceeds 70% of total MM executed volume on the MIAX Emerald Exchange.

Measurement Quarter:

- Volume shall be measured over the measurement quarter defined as April 1, 2019 through June 30, 2019.

Notice to Designated BCP Members

MIAX Emerald will individually notify Designated Members of their designation as such (including the MIAX Emerald Exchange volume percentage(s) such designation is based upon) promptly following completion of the applicable measurement quarter. Members designated for the first time will become subject to the requirements of MIAX Emerald Rule 321 in the next calendar quarter following their receipt of notice of designation from MIAX Emerald. For example, Members meeting the Designation Standards in the April 1, 2019 through June 30, 2019 measurement quarter will be notified by MIAX Emerald that they are Designated Members in early July 2019 and will be required to connect to the MIAX Emerald DR systems in the calendar quarter commencing October 1, 2019 and participate in BC/DR plans testing occurring in or after that calendar quarter.

Any changes to the Designation Standards will be published by MIAX Emerald in a Regulatory Circular in advance of the start of any measurement quarter and will not be applied retroactively to any measurement quarter then completed or in progress.

Regulatory questions may be directed to Regulatory@MIAXOptions.com or (609) 897-7309.

Please direct any requests for further information regarding MIAX Emerald's BC/DR testing to TradingOperations@MIAXOptions.com or (609) 897-7302.