



DATE: July 21, 2017
TO: MIAX Options Members
FROM: MIAX Options Regulatory Department
RE: MIAX Options Price Improvement Mechanism ("PRIME")
SR-MIAX-2017-22

MIAX Options filed a proposed rule change to modify certain behavior of the MIAX Price Improvement Mechanism ("PRIME"). The rule change has become effective and will be implemented at the opening of trading on **August 2, 2017**. Below is a summary of the changes:

- Rule 515A(a)(2) is amended to provide that the System will reject an Agency Order if, at the time of receipt of the Agency Order, the option is in an Auction or is a component of a complex strategy that is the subject of a Complex Auction or a cPRIME Auction.
- New Interpretations and Policies .10 to Rule 515A is adopted and provides that, when determining the 40% or 50% Initiating Member allocation under sub-paragraphs (a)(2)(iii)(H) or (I), the System will round the number of contracts to which the Initiating Member is entitled to the nearest whole number (up or down). If the allocation results in a remainder of exactly one-half contract (.50000), then the System will round the number of contracts to which the Initiating Member is entitled up to the next higher whole number.
- New Interpretations and Policies .11 to Rule 515A is adopted and provides that, when calculating the number of Members' responses that match the Initiating Member's single price submission and the final auto-match price point, the System will not include in such calculation: (i) any Priority Customer Auction Response and/or unrelated Priority Customer interest that has been executed, or (ii) any Member's response (including unrelated orders and quotes) executed at a better price.

For a more complete description of the rule change, please see [SR-MIAX-2017-22](#). Again, these changes will be implemented on **August 2, 2017**.

For questions, please contact Trading Operations at TradingOperations@MIAXOptions.com or (609) 897-7302.

Regulatory inquiries should be directed to Regulatory@MIAXOptions.com or (609) 897-7309.