



**DATE:** March 18, 2020

**TO:** MIAX Options Members

**FROM:** MIAX Options Regulatory Department

**RE:** Handling of SPIKES Settlement Process During Extreme Market Conditions

---

Given the current state of the markets, MIAX Options may modify the opening of the SPY options on MIAX on SPIKES Settlement Day. During times of extreme market stress, MIAX may implement the following:

- Increase maximum opening width parameters for the SPY options used in the SPIKES Special Settlement Auction. The Settlement Reference Price Opening Width and Valid and Priority Quote Width tables used for opening may be adjusted accordingly
- In the interest of a fair and orderly market, MIAX Options may delay the opening of SPY options on MIAX, including the constituent expiration options used to calculate the final SPIKES Settlement Price. Once the Exchange has determined that the opening can proceed in a fair and orderly fashion, the SPY options will open using the normal opening process for all expirations not used to calculate the final SPIKES Settlement Price, and the SPIKES Special Settlement Opening Process for those options in the expiration month used to calculate the final SPIKES Settlement Price
- If MIAX is not able to determine the final settlement value for SPIKES options (e.g., unable to open constituent series needed to calculate the SPIKES Settlement Price), MIAX rules provide, respectively, that the final settlement value will be determined in accordance with The Options Clearing Corporation (OCC)'s By-Laws. In such a situation, OCC may fix the exercise settlement amount by convening a panel of exchange representatives, which will endeavor to determine a final settlement value on the scheduled settlement day by utilizing prices and market data from that day.

Contact Trading Operations at [TradingOperations@MIAXOptions.com](mailto:TradingOperations@MIAXOptions.com) or (609) 897-7302 with any questions regarding the SPIKES Settlement Process.

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