

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 26	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2017 - * 41 Amendment No. (req. for Amendments *)
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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"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<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	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input checked="" type="checkbox"/>	Exhibit 3 Sent As Paper Document <input checked="" type="checkbox"/>
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Description
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Amend Exchange Rule 529

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 * Greg Last Name * Ziegler
 Title * Associate Counsel
 E-mail * gziegler@miaxoptions.com
 Telephone * (609) 897-1483 Fax

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.
(Title *)
Associate Counsel

Date 09/20/2017
By Gregory P. Ziegler
(Name *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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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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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 Advance 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, security-based swap submission, or advance notice 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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Exhibit Sent As Paper Document

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 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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 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

Add Remove View

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 the Proposed Rule Change

(a) Miami International Securities Exchange, LLC (“MIAX Options” 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 529, Order Routing to Other Exchanges.

Notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change 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 pursuant to authority delegated by the MIAX Options Board of Directors on December 8, 2016. 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 Gregory P. Ziegler, Associate Counsel, at (609) 897-1483.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

a. Purpose

The Exchange proposes to amend Rule 529, Order Routing to Other Exchanges, to provide additional information in the Route Notification broadcast as described in subsection (b)(2)(i). Specifically, the Exchange proposes to include the expected price to which the interest will be routed in the Route Notification message distributed via the Exchange's data feed. Additionally, the Exchange proposes to amend the rule text to improve its clarity and precision. The Exchange also proposes to adopt new Interpretations and Policies .02 to clarify that, for purposes of Rule 529, the expected price to which the interest will be routed is the ABBO³ at the start of the Route Timer.

Under Exchange Rule 529 the Exchange may automatically route orders to other exchanges under certain circumstances. The Exchange will employ one of two Route Mechanisms, Immediate Routing or the Route Timer,⁴ when a Public Customer⁵ order is received and/or reevaluated that is both routable and marketable against the opposite side ABBO upon receipt and the Exchange's disseminated market is not equal to the opposite side ABBO, or is equal to the opposite side ABBO and of insufficient size to satisfy the order.⁶

³ The term "ABBO" or "Away Best Bid or Offer" means the best bid(s) or offer(s) disseminated by other Eligible Exchanges and calculated by the Exchange based on market information received by the Exchange from OPRA. See Exchange Rule 100.

⁴ A Route Timer is a brief timer that operates as a pause before marketable interest is routed to an away exchange. See Exchange Rule 529(b)(2)(i).

⁵ The term "Public Customer" means a person that is not a broker or dealer in securities. See Exchange Rule 100.

⁶ See Exchange Rule 529(b).

Under the Exchange's proposal, all existing functionality of the Route Timer will remain intact. Currently, Public Customer orders that are not eligible for Immediate Routing are subject to a Route Timer. The Route Timer, which will never exceed one second, allows Market Makers⁷ and other market participants an opportunity to interact with the initiating order before it is routed to another options exchange.⁸ Contemporaneously with the start of the Route Timer, the Exchange's System⁹ broadcasts a Route Notification message to subscribers of the Exchange's Administrative Information Subscriber ("AIS") data feed. The Route Notification message includes the option contract size and side of the market of the initiating Public Customer order.¹⁰ The Exchange now proposes to also include the expected price to which the interest will be routed in the Route Notification message. Additionally, the Exchange proposes to adopt new Interpretations and Policies .02 to state that, for purposes of this Rule, the expected price to which the interest will be routed is the ABBO at the start of the Route Timer.¹¹

The System will display and book the initiating order at its limit price, or if the limit price locks or crosses the current opposite side NBBO,¹² display the initiating order one Minimum Price Variation ("MPV")¹³ away from the current opposite side NBBO and book the initiating

⁷ The term "Market Makers" refers to "Lead Market Makers", "Primary Lead Market Makers" and "Registered Market Makers" collectively. See Exchange Rule 100.

⁸ See Exchange Rule 529(b)(2)(i).

⁹ The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

¹⁰ See Exchange Rule 529(b)(2)(i).

¹¹ The Exchange notes that the expected price to which the interest will be routed may differ from the actual price to which the interest is routed due to changes in the market that occur during the duration of the Route Timer.

¹² The term "NBBO" means the national best bid or offer as calculated by the Exchange based on market information received from OPRA. See Exchange Rule 100.

¹³ See Exchange Rule 510.

order at a price that will internally lock the current opposite side NBBO. The initiating order will remain available for execution up to its original bid or down to its original offer.¹⁴

If, during the Route Timer, the Exchange receives a new order or quote on the opposite side of the market from the initiating order that can be executed, the System will immediately execute the remaining contracts from the initiating order to the extent possible, provided that the execution price does not violate the current NBBO.¹⁵ Conversely, if during the Route Timer the Exchange receives orders or quotes on the same side of the market as the initiating order, such new orders or quotes will join the initiating order in the Route Timer.¹⁶

If at any point during the Route Timer the initiating order and all joining interest on the same side of the market is either traded in full or cancelled in full, the Route Timer will be terminated and normal trading will resume.¹⁷ In addition, if at any point during the Route Timer a change in the ABBO would allow all or part of the initiating order and any joining interest on the same side of the market to trade on the Exchange at the revised NBBO, the Route Timer will be terminated and normal trading will resume.¹⁸

At the end of the Route Timer, the System will route Intermarket Sweep Orders¹⁹ representing the initiating order's remaining contracts to away markets disseminating the ABBO. The System will price the routed order at the opposite side ABBO with a size equal to the exchange's disseminated ABBO size as needed. If there are still additional contracts to be

¹⁴ See Exchange Rule 529(b)(2)(i).

¹⁵ Id.

¹⁶ See Exchange Rule 529(b)(2)(iii).

¹⁷ Id.

¹⁸ Id.

¹⁹ See Exchange Rule 516(f).

executed from the initiating order after the Intermarket Sweep Orders have been routed to the away markets disseminating the ABBO for the away markets' full size, the System will handle remaining interest from the initiating order in accordance with the provisions of Exchange Rule 515, Execution of Orders and Quotes.²⁰

The Exchange also proposes to amend Rule 529(b)(2)(i) to correct the sentence which reads, “[c]ontemporaneously with the start of the Timer, the System will broadcast a Route Notification to subscribers of the Exchange’s data feeds” The Exchange broadcasts the Route Notification on a single data feed, the AIS feed. Therefore, the Exchange proposes to amend the rule text to specifically identify the data feed by its name, the Administrative Information Subscriber (“AIS”) data feed.

The Exchange also notes that other option exchanges offer similar functionality in their respective routing mechanisms. Those routing mechanisms (i) expose eligible initiating interest at the best price, (ii) contain an exposure period, the duration of which does not exceed one second, and (iii) route remaining interest to away markets at the conclusion of the exposure period.²¹ In particular, those routing mechanisms also expose their expected route price, which the Exchange is now proposing to expose as well pursuant to this proposed rule change. For example, BATS EDGX Exchange, Inc. (“BATS EDGX”) Rule 21.18 provides for a Step Up Mechanism (“SUM”) which electronically exposes eligible orders at the NBBO price immediately upon receipt. As well, the BATS EDGX rule prescribes that the exposure period shall be for a period of time determined by the Exchange on a class-by-class basis, which period

²⁰ See Exchange Rule 529(b)(2)(iv).

²¹ See BATS EDGX Rule 21.18, Nasdaq PHLX Rule 1080(m)(iv)(B) and (C), and NYSE American Rule 994NY.

of time shall not exceed one second.²² Following the exposure period, BATS EDGX routes the remaining portion of the exposed order to other exchanges.²³ Accordingly, pursuant to the proposed rule change, the Exchange is merely proposing to make available the same type of information about the order to be routed as is currently made available by other options exchanges.²⁴

b. Statutory Basis

The Exchange believes that its proposed rule change is consistent with Section 6(b) of the Act²⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act²⁶ in particular, in that it is 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes the proposed changes promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system because they seek to improve the accuracy of the Exchange's rules. In particular, the Exchange believes that the proposed rule changes will provide greater clarity to Members and the public regarding the Exchange's Rules, and it is in the public interest for rules to be accurate and concise so as to eliminate the potential for confusion.

²² See BATS EDGX 21.18(b)(1).

²³ See BATS EDGX 21.18(b)(4).

²⁴ See supra note 21.

²⁵ 15 U.S.C. 78f(b).

²⁶ 15 U.S.C. 78f(b)(5).

The Exchange believes that including the expected price to which the interest will be routed in the Route Notification message promotes just and equitable principles of trade and removes impediments to a free and open market by providing greater transparency concerning the operation of Exchange functionality. The Exchange also believes the proposal will contribute to the protection of investors and the public interest by clarifying the Exchange's rules. The Exchange believes that additional clarity and transparency in the Exchange's rules will strengthen investor confidence in the market and facilitate fair competition among market participants. The Exchange notes that other option exchanges that offer similar functionality have similar rules in place.²⁷

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 that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes the proposed rule change will not impose any burden on competition as the Exchange is merely providing supplemental information that may be derived by market participants independently. The Exchange's proposal does not substantively modify any Exchange functionality and is not designed to address any competitive issues, but rather to provide additional information in the Route Notification message and add further clarity to the Exchange's rules. Since the Exchange does not propose to substantively modify the operation of exchange functionality, the proposed rule change will not impose any burden on inter-market competition. Additionally, the Exchange does not believe the proposed rule change will impose any burden on intra-market competition as the Rules apply equally to all Exchange Members.

²⁷ See supra note 21.

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

The Exchange has neither solicited nor received comments on the proposed rule change.

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 Act²⁸ and Rule 19b-4(f)(6)²⁹ 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.

The Exchange believes that the proposed rule change does not significantly affect the protection of investors or the public interest. The Exchange believes that providing additional information in the Route Notification message provides greater transparency concerning the operation of Exchange functionality and will contribute to the protection of investors and the public interest by providing greater clarity and specificity in the Exchange's rules. Additionally, the Exchange believes that the additional clarity and transparency of the proposed rule change would help promote investor confidence in the market. The proposed rule change does not raise any novel or unique substantive issues and does not impose any significant burden on competition as the proposal does not address any competitive issues and other option exchanges

²⁸ 15 U.S.C. 78s(b)(3)(A).

²⁹ 17 CFR 240.19b-4(f)(6).

that offer similar functionality have similar rules in place.³⁰ The proposal is non-controversial because it simply provides supplemental information in a Route Notification message that may be derived from other sources and does not substantively modify any Exchange functionality. Accordingly, the Exchange believes that the proposed rule change is eligible for immediately effective treatment under the Commission's current procedures for processing rule filings.

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. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act³¹ normally does not become operative for 30 days after the date of its filing.

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.

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 self-regulatory organization or of the Commission. However, the Exchange notes that similar rules are operative on other exchanges.³² Most notably, BATS EDGX Rule 21.18 provides for a Step Up Mechanism ("SUM") which electronically exposes eligible orders at the NBBO price immediately upon

³⁰ See supra note 21.

³¹ 17 CFR 240.19b-4(f)(6).

³² See supra note 21.

receipt. As well, the BATS EDGX rule prescribes that the exposure period shall be for a period of time determined by the Exchange on a class-by-class basis, which period of time shall not exceed one second.³³ Following the exposure period, BATS EDGX routes the remaining portion of the exposed order to other exchanges.³⁴

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. Text of proposed rule change.

³³ See BATS EDGX 21.18(b)(1).

³⁴ See BATS EDGX 21.18(b)(4).

EXHIBIT 1SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-MIAX-2017-41)

September __, 2017

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to Amend MIAX Options Rule 529, Order Routing to Other Exchanges

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 September 20, 2017, Miami International Securities Exchange, LLC (“MIAX Options” 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 529, Order Routing to Other Exchanges.

The text of the proposed rule change is available on the Exchange’s website at <http://www.miaxoptions.com/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.

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 Rule 529, Order Routing to Other Exchanges, to provide additional information in the Route Notification broadcast as described in subsection (b)(2)(i). Specifically, the Exchange proposes to include the expected price to which the interest will be routed in the Route Notification message distributed via the Exchange's data feed. Additionally, the Exchange proposes to amend the rule text to improve its clarity and precision. The Exchange also proposes to adopt new Interpretations and Policies .02 to clarify that, for purposes of Rule 529, the expected price to which the interest will be routed is the ABBO³ at the start of the Route Timer.

Under Exchange Rule 529 the Exchange may automatically route orders to other exchanges under certain circumstances. The Exchange will employ one of two Route Mechanisms, Immediate Routing or the Route Timer,⁴ when a Public Customer⁵ order is received and/or reevaluated that is both routable and marketable against the opposite side ABBO

³ The term "ABBO" or "Away Best Bid or Offer" means the best bid(s) or offer(s) disseminated by other Eligible Exchanges and calculated by the Exchange based on market information received by the Exchange from OPRA. See Exchange Rule 100.

⁴ A Route Timer is a brief timer that operates as a pause before marketable interest is routed to an away exchange. See Exchange Rule 529(b)(2)(i).

⁵ The term "Public Customer" means a person that is not a broker or dealer in securities. See Exchange Rule 100.

upon receipt and the Exchange's disseminated market is not equal to the opposite side ABBO, or is equal to the opposite side ABBO and of insufficient size to satisfy the order.⁶

Under the Exchange's proposal, all existing functionality of the Route Timer will remain intact. Currently, Public Customer orders that are not eligible for Immediate Routing are subject to a Route Timer. The Route Timer, which will never exceed one second, allows Market Makers⁷ and other market participants an opportunity to interact with the initiating order before it is routed to another options exchange.⁸ Contemporaneously with the start of the Route Timer, the Exchange's System⁹ broadcasts a Route Notification message to subscribers of the Exchange's Administrative Information Subscriber ("AIS") data feed. The Route Notification message includes the option contract size and side of the market of the initiating Public Customer order.¹⁰ The Exchange now proposes to also include the expected price to which the interest will be routed in the Route Notification message. Additionally, the Exchange proposes to adopt new Interpretations and Policies .02 to state that, for purposes of this Rule, the expected price to which the interest will be routed is the ABBO at the start of the Route Timer.¹¹

The System will display and book the initiating order at its limit price, or if the limit price locks or crosses the current opposite side NBBO,¹² display the initiating order one Minimum

⁶ See Exchange Rule 529(b).

⁷ The term "Market Makers" refers to "Lead Market Makers", "Primary Lead Market Makers" and "Registered Market Makers" collectively. See Exchange Rule 100.

⁸ See Exchange Rule 529(b)(2)(i).

⁹ The term "System" means the automated trading system used by the Exchange for the trading of securities. See Exchange Rule 100.

¹⁰ See Exchange Rule 529(b)(2)(i).

¹¹ The Exchange notes that the expected price to which the interest will be routed may differ from the actual price to which the interest is routed due to changes in the market that occur during the duration of the Route Timer.

¹² The term "NBBO" means the national best bid or offer as calculated by the Exchange based on market information received from OPRA. See Exchange Rule 100.

Price Variation (“MPV”)¹³ away from the current opposite side NBBO and book the initiating order at a price that will internally lock the current opposite side NBBO. The initiating order will remain available for execution up to its original bid or down to its original offer.¹⁴

If, during the Route Timer, the Exchange receives a new order or quote on the opposite side of the market from the initiating order that can be executed, the System will immediately execute the remaining contracts from the initiating order to the extent possible, provided that the execution price does not violate the current NBBO.¹⁵ Conversely, if during the Route Timer the Exchange receives orders or quotes on the same side of the market as the initiating order, such new orders or quotes will join the initiating order in the Route Timer.¹⁶

If at any point during the Route Timer the initiating order and all joining interest on the same side of the market is either traded in full or cancelled in full, the Route Timer will be terminated and normal trading will resume.¹⁷ In addition, if at any point during the Route Timer a change in the ABBO would allow all or part of the initiating order and any joining interest on the same side of the market to trade on the Exchange at the revised NBBO, the Route Timer will be terminated and normal trading will resume.¹⁸

At the end of the Route Timer, the System will route Intermarket Sweep Orders¹⁹ representing the initiating order’s remaining contracts to away markets disseminating the ABBO. The System will price the routed order at the opposite side ABBO with a size equal to the

¹³ See Exchange Rule 510.

¹⁴ See Exchange Rule 529(b)(2)(i).

¹⁵ Id.

¹⁶ See Exchange Rule 529(b)(2)(iii).

¹⁷ Id.

¹⁸ Id.

¹⁹ See Exchange Rule 516(f).

exchange's disseminated ABBO size as needed. If there are still additional contracts to be executed from the initiating order after the Intermarket Sweep Orders have been routed to the away markets disseminating the ABBO for the away markets' full size, the System will handle remaining interest from the initiating order in accordance with the provisions of Exchange Rule 515, Execution of Orders and Quotes.²⁰

The Exchange also proposes to amend Rule 529(b)(2)(i) to correct the sentence which reads, “[c]ontemporaneously with the start of the Timer, the System will broadcast a Route Notification to subscribers of the Exchange’s data feeds” The Exchange broadcasts the Route Notification on a single data feed, the AIS feed. Therefore, the Exchange proposes to amend the rule text to specifically identify the data feed by its name, the Administrative Information Subscriber (“AIS”) data feed.

The Exchange also notes that other option exchanges offer similar functionality in their respective routing mechanisms. Those routing mechanisms (i) expose eligible initiating interest at the best price, (ii) contain an exposure period, the duration of which does not exceed one second, and (iii) route remaining interest to away markets at the conclusion of the exposure period.²¹ In particular, those routing mechanisms also expose their expected route price, which the Exchange is now proposing to expose as well pursuant to this proposed rule change. For example, BATS EDGX Exchange, Inc. (“BATS EDGX”) Rule 21.18 provides for a Step Up Mechanism (“SUM”) which electronically exposes eligible orders at the NBBO price immediately upon receipt. As well, the BATS EDGX rule prescribes that the exposure period shall be for a period of time determined by the Exchange on a class-by-class basis, which period

²⁰ See Exchange Rule 529(b)(2)(iv).

²¹ See BATS EDGX Rule 21.18, Nasdaq PHLX Rule 1080(m)(iv)(B) and (C), and NYSE American Rule 994NY.

of time shall not exceed one second.²² Following the exposure period, BATS EDGX routes the remaining portion of the exposed order to other exchanges.²³ Accordingly, pursuant to the proposed rule change, the Exchange is merely proposing to make available the same type of information about the order to be routed as is currently made available by other options exchanges.²⁴

2. Statutory Basis

MIAX believes that its proposed rule change is consistent with Section 6(b) of the Act²⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act²⁶ in particular, in that it is 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes the proposed changes promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system because they seek to improve the accuracy of the Exchange's rules. In particular, the Exchange believes that the proposed rule changes will provide greater clarity to Members and the public regarding the Exchange's Rules, and it is in the public interest for rules to be accurate and concise so as to eliminate the potential for confusion.

²² See BATS EDGX 21.18(b)(1).

²³ See BATS EDGX 21.18(b)(4).

²⁴ See supra note 21.

²⁵ 15 U.S.C. 78f(b).

²⁶ 15 U.S.C. 78f(b)(5).

The Exchange believes that including the expected price to which the interest will be routed in the Route Notification message promotes just and equitable principles of trade and removes impediments to a free and open market by providing greater transparency concerning the operation of Exchange functionality. The Exchange also believes the proposal will contribute to the protection of investors and the public interest by clarifying the Exchange's rules. The Exchange believes that additional clarity and transparency in the Exchange's rules will strengthen investor confidence in the market and facilitate fair competition among market participants. The Exchange notes that other option exchanges that offer similar functionality have similar rules in place.²⁷

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. Specifically, the Exchange believes the proposed rule change will not impose any burden on competition as the Exchange is merely providing supplemental information that may be derived by market participants independently. The Exchange's proposal does not substantively modify any Exchange functionality and is not designed to address any competitive issues, but rather to provide additional information in the Route Notification message and add further clarity to the Exchange's rules. Since the Exchange does not propose to substantively modify the operation of exchange functionality, the proposed rule change will not impose any burden on inter-market competition. Additionally, the Exchange does not believe the proposed rule change will impose any burden on intra-market competition as the Rules apply equally to all Exchange Members.

²⁷ See supra note 21.

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

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate, it has become effective pursuant to 19(b)(3)(A) of the Act²⁸ and Rule 19b-4(f)(6)²⁹ thereunder.

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

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:

²⁸ 15 U.S.C. 78s(b)(3)(A).

²⁹ 17 CFR 240.19b-4(f)(6). In addition, 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.

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
or
- Send an e-mail [to rule-comments@sec.gov](mailto:to-rule-comments@sec.gov). Please include File Number SR-MIAX-2017-41 on the subject line.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MIAX-2017-41. This file number should be included on the subject line if e-mail 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 Web site (<http://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 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-MIAX-2017-41 and should be submitted on or before [insert date 21 days from publication in the Federal Register]. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁰

Brent J. Fields
Secretary

³⁰ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

New text is underlined;

Deleted text is in [brackets]

MIAMI INTERNATIONAL SECURITIES EXCHANGE, LLC

Rule 529. Order Routing to Other Exchanges

The Exchange may automatically route orders to other exchanges under certain circumstances as described below and elsewhere in the rules (“Routing Services”). In connection with such services, the following shall apply:

(a) No change

(b) **Route Mechanisms.** The Route Mechanisms described in this paragraph (b) will be used after the Exchange’s opening process has been completed. Refer to Rule 503 for a description of the route procedure used during the opening process. One of two Route Mechanisms, Immediate Routing or the Route Timer, will be used when a Public Customer order is received and/or reevaluated that is both routable and marketable against the opposite side ABBO upon receipt and the Exchange’s disseminated market is not equal to the opposite side ABBO, or is equal to the opposite side ABBO and of insufficient size to satisfy the order. The term initiating Public Customer order will be used in the following paragraphs to refer to the Public Customer order being handled by one of the Route Mechanisms. Non-Customer orders, contingent orders, and Do Not Route (“DNR”) orders, as defined in Rule 516(g), are not eligible to be routed. Public Customer orders resting on the book will not initiate a route timer, but may be routed with an incoming Public Customer order that has initiated a Route Mechanism (“initiating order”).

(1) Immediate Routing.

(i) An initiating Public Customer order is eligible for Immediate Routing if the displayed NBBO was locked or crossed upon receipt of the initiating Public Customer order. If at the time of receipt of the initiating Public Customer order, the opposite side ABBO is also locking or crossing the same side MBBO, the System will immediately route the initiating Public Customer order, together with any routable interest resting on the same side MBBO, to the opposite side ABBO. The initiating Public Customer and any routable resting interest will be processed in the order in which they were received.

(ii) An initiating Public Customer order is also eligible for Immediate Routing if the displayed NBBO was not crossed and the order meets all of the following criteria:

- (A) the initiating order's limit price crosses the opposite side NBBO;
- (B) the MBBO is inferior to the NBBO on the opposite side of the market by one Minimum Price Variation (as that term is defined in Rule (510));
- (C) the initiating order size must be equal to or greater than three times the total size of the away markets represented in the opposite side ABBO;
- (D) the size of the quotes and orders at the MBBO combined with the total size of the ABBO on the opposite side of the market must be equal to or greater than one half the size of the initiating order;
- (E) the Exchange's disseminated market must include a bid of greater than zero with a size of greater than zero if the routable order is a sell order; and
- (F) the size of the Exchange's disseminated market must be equal to or greater than three times the total size of the away markets represented in the opposite side ABBO.

(iii) If an initiating Public Customer order meets all of the criteria set forth in (i) or (ii) above, the System will route ISO orders representing the initiating order to away markets disseminating prices better than the Exchange's disseminated market. The routed order will be priced at the ABBO with a size equal to each ABBO exchange's disseminated size. If there are still additional contracts to be executed from the initiating order after the initiating order has been routed to all away markets disseminating the ABBO for the away markets' full size, the System will handle remaining contracts from the initiating order in accordance with the provisions of Exchange Rule 515.

(2) **Route Timer.**

(i) For those initiating Public Customer orders that are routable, but do not meet the additional criteria for Immediate Routing, the System will implement a Route Timer not to exceed one second (the duration of the Timer will be announced to Members through a Regulatory Circular), in order to allow Market Makers and other participants an opportunity to interact with the initiating order. Contemporaneously with the start of the Timer, the System will broadcast a Route Notification to subscribers of the Exchange's Administrative Information Subscriber ("AIS") data feed[s], which will include the expected price to which the interest will be routed, option contract size, and side of the market of the initiating Public Customer order. The System will display and book the initiating order at its limit price, or if the limit price locks or crosses the current opposite side NBBO, display the initiating order one Minimum Price

Variation (“MPV”) away from the current opposite side NBBO and book the initiating order at a price that will internally lock the current opposite side NBBO. The initiating order will remain available for execution up to its original bid or down to its original offer. If, during the Route Timer, the Exchange receives a new order or quote on the opposite side of the market from the initiating order that can be executed, the System will immediately execute the remaining contracts from the initiating order to the extent possible at the initiating order’s current Book bid or offer price, provided that the execution price does not violate the current NBBO. If unexecuted contracts remain from the initiating order, the MBBO will be revised and disseminated to reflect the initiating order’s displayed price and remaining size. The Exchange will also display, on the opposite side of the market, its next bid (or offer) as non-firm (or in the absence thereof, a price of zero with a size of zero).

(ii) During the Route Timer, Market Makers may submit quotes and orders at any price level on the same side of the market as the initiating order, and quotes and orders at any price level on the opposite side of the market. Other participants may submit orders at any price level on the same side of the market as the initiating order, and orders at any price level on the opposite side of the market. Marketable orders and quotes on the opposite side of the market from the initiating order will trade immediately upon receipt at the initiating order’s current Book bid or offer price, provided that the execution price does not violate the current NBBO.

(iii) Orders (other than IOC, FOK and AOC) and quotes (other than IOC, FOK and AOC eQuotes) on the same side of the market will join the initiating order on the timer. IOC and FOK orders or eQuotes on the same side of the market will be cancelled by the System. AOC orders and eQuotes on the same side of the market will be rejected by the System. The System will add the new order or quote size to the MBBO size and disseminate the updated MBBO. If the NBBO becomes crossed during the Route Timer, the Route Timer will terminate immediately. At the end of the Route Timer, each same side order or quote will be handled in the order in which it was received by the Exchange. If at any point during the Route Timer the initiating order and all joining interest on the same side of the market is either traded in full or cancelled in full, the Route Timer will be terminated and normal trading will resume. In addition, if at any point during the Route Timer a change in the ABBO would allow all or part of the initiating order and any joining interest on the same side of the market to trade on the Exchange at the revised NBBO, the Route Timer will be terminated and normal trading will resume.

(iv) **End of the Route Timer.** At the end of the Route Timer, the System will route ISO orders representing the initiating order’s remaining contracts to away markets disseminating the ABBO. The System will price the routed order at the opposite side ABBO with a size equal to each exchange’s disseminated ABBO size as needed. If there are still additional contracts to be executed from the initiating order after the ISO orders have been routed to the away markets disseminating the ABBO for the away markets’ full size, the System will handle remaining interest from the initiating order in accordance with the provisions of Exchange Rule 515.

Interpretations and Policies:

.01 No change

.02 For purposes of this Rule, the expected price to which the interest will be routed is the ABBO at the start of the Route Timer.
