



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104040; File No. SR-PEARL-2025-45]

Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Lower the Options Regulatory Fee (ORF)

September 24, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on September 23, 2025, MIAX PEARL, LLC (“MIAX Pearl” or “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) a proposed rule change as described in Items I and II 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 proposes to amend the fee schedule applicable to the options trading platform of MIAX Pearl (the “Fee Schedule”) regarding the Options Regulatory Fee (“ORF”).

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

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 the proposed rule change. The text of these statements may be examined at the places specified

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 the Fee Schedule to: (i) temporarily decrease the ORF from \$0.0018 per contract to \$0.0014 per contract between September 1, 2025 and December 31, 2025;³ and (ii) increase the ORF from \$0.0014 per contract to \$0.0016 per contract, effective January 1, 2026.

Background

The ORF is designed to recover a material portion of the costs to the Exchange of the supervision and regulation of Members'⁴ customer options business, including performing routine surveillances and investigations, as well as policy, rulemaking, interpretive and enforcement activities. The Exchange believes that revenue generated from the ORF, when combined with all of the Exchange's other regulatory fees and fines, will cover a material portion, but not all, of the Exchange's regulatory costs.

Collection of ORF

The Exchange assesses the per-contract ORF to each Member for all options transactions cleared or ultimately cleared by the Member, which are cleared by the Options Clearing Corporation ("OCC") in the "customer" range,⁵ regardless of the exchange on which the transaction occurs. The ORF is collected by OCC on behalf of the Exchange from either: (1) a

³ The Exchange initially filed the proposed fee changes on August 28, 2025 (SR-PEARL-2025-41). On September 12, 2025, the Exchange withdrew that filing and submitted SR-PEARL-2025-44. On September 23, the Exchange withdrew that filing and submitted this proposal.

⁴ The term "Member" means an individual or organization that is registered with the Exchange pursuant to Chapter II of Exchange Rules for purposes of trading on the Exchange as an "Electronic Exchange Member" or "Market Maker." Members are deemed "members" under the Exchange Act. See the Definitions section of the Fee Schedule and Exchange Rule 100.

⁵ Exchange participants must record the appropriate account origin code on all orders at the time of entry in order. The Exchange represents that it has surveillances in place to verify that Members mark orders with the correct account origin code.

Member that was the ultimate clearing firm for the transaction; or (2) a non-Member that was the ultimate clearing firm where a Member was the executing clearing firm for the transaction. The Exchange uses reports from OCC to determine the identity of the executing clearing firm and ultimate clearing firm.

As a practical matter, when a transaction that is subject to the ORF is not executed on the Exchange, the Exchange lacks the information necessary to identify the order-entering member for that transaction. There are a multitude of order-entering market participants throughout the industry, and such participants can make changes to the market centers to which they connect, including dropping their connection to one market center and establishing themselves as participants on another. For these reasons, it is not possible for the Exchange to identify, and thus assess fees such as ORF, on order-entering participants on away markets on a given trading day. Clearing members, however, are distinguished from order-entering participants because they remain identified to the Exchange on information the Exchange receives from OCC regardless of the identity of the order-entering participant, their location, and the market center on which they execute transactions.

ORF Revenue and Monitoring of ORF

The Exchange monitors the amount of revenue collected from the ORF to ensure that it, in combination with other regulatory fees and fines, does not exceed regulatory costs. In determining whether an expense is considered a regulatory cost, the Exchange reviews all costs and makes determinations if there is a nexus between the expense and a regulatory function. The Exchange notes that fines collected by the Exchange in connection with a disciplinary matter offset ORF.

The Exchange believes that its broad regulatory responsibilities with respect to a Member's activities supports applying the ORF to transactions cleared but not executed by a Member. The Exchange's regulatory responsibilities are the same regardless of whether a Member enters a transaction or clears a transaction executed on its behalf. The Exchange

regularly reviews all such activities, including performing surveillance for position limit violations, manipulation, front-running, contrary exercise advice violations and insider trading. These activities span across multiple exchanges.

Revenue generated from ORF, when combined with all of the Exchange's other regulatory fees and fines, is designed to recover a material portion of the regulatory costs to the Exchange of the supervision and regulation of Members' customer options business including performing routine surveillances, investigations, examinations, financial monitoring, and policy, rulemaking, interpretive, and enforcement activities. Regulatory costs include direct regulatory expenses and certain indirect expenses in support of the regulatory function. The direct expenses include in-house and third party service provider costs to support the day-to-day regulatory work such as surveillances, investigations and examinations.

The ORF revenue is based on options transactions volume, the amount of ORF collected is variable. For example, if options transactions reported to OCC in a given month increase, the ORF collected from Members will likely increase as well. Similarly, if options transactions reported to OCC in a given month decrease, the ORF collected from Members will likely decrease as well. Accordingly, the Exchange monitors the amount of ORF collected to ensure that it does not exceed a material portion of regulatory costs. If the Exchange determines the amount of ORF collected exceeds or may exceed a material portion of regulatory costs, the Exchange will, as appropriate, adjust the ORF by submitting a fee change filing to the Securities and Exchange Commission (the "Commission").

Proposal

Based on the Exchange's recent review of regulatory costs, ORF revenue, and options transaction volume, the Exchange proposes to temporarily decrease the ORF from \$0.0018 per contract to \$0.0014 per contract, between September 1, 2025 and December 31, 2025. This proposed decrease will help ensure that the amount collected from the ORF, in combination with other regulatory fees and fines, does not exceed the Exchange's total regulatory costs. On July

31, 2025, the Exchange notified Members of the proposed temporary decrease to the ORF via a Regulatory Circular to afford market participants sufficient opportunity to configure their systems to account properly for the modified ORF.⁶

The proposed change to the ORF is based on the Exchange’s analysis of recent options volumes and its regulatory costs. The Exchange believes that, if the ORF is not temporarily reduced for the remainder of 2025, the ORF revenue to the Exchange year over year could exceed a material portion of the Exchange’s 2025 regulatory costs.

Over the past few years, the options industry has experienced high options trading volumes and volatility and the persisting increased options volumes have impacted the Exchange’s ORF collection. The table below reflects industry data from OCC and illustrates that both total average daily volume and customer average daily volume in 2025 increased over the already elevated levels in 2023 and 2024.⁷

	2023	2024	2025 YTD
Customer ADV	35,327,417	39,365,049	46,831,086
Total ADV	40,368,590	44,360,426	53,043,204

In addition, as shown in the table below, during 2025, options trading volumes have remained elevated and volatility has persisted.⁸

	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	June 2025	July 2025
Customer ADV	46,758,284	48,508,333	46,281,134	47,786,196	46,234,519	45,453,082	47,244,127
Total ADV	53,134,932	54,563,396	53,182,376	55,339,630	51,351,579	50,576,203	51,516,242

Because of the sustained impact of the trading volumes that have persisted through July 2025, along with the difficulty of predicting whether and when volumes may return to historical

⁶ See https://www.miaxglobal.com/sites/default/files/circular-files/MIAX_Pearl_Options_RC_2025_49.pdf.

⁷ The OCC publishes options and futures volume in a variety of formats, including daily and monthly volume by exchange, available here: <https://www.theocc.com/Market-Data/Market-Data-Reports/Volume-and-Open-Interest/Monthly-Weekly-Volume-Statistics>. The volume discussed in this filing is based on a compilation of OCC data for monthly volume of equity-based options and monthly volume of ETF-based options, in contract sides.

⁸ See [id.](#)

levels, the Exchange proposes to temporarily decrease the ORF from September 1 through December 31, 2025, to help ensure that ORF collection will not exceed the Exchange's 2025 regulatory costs. The Exchange cannot predict whether options volumes will remain at these levels going forward and projections for future regulatory costs are estimated. Particularly, based on the Exchange's estimated projections for its regulatory costs, the revenue generated by ORF using the temporarily reduced rate, would result in projected revenue that is insufficient to cover a material portion of its regulatory costs. Further, when combined with the Exchange's projected other non-ORF regulatory fees and fines, the revenue generated by ORF using the temporarily reduced rate is projected to result in a combined revenue that is less than the Exchange's estimated regulatory costs for the year. Because the projected revenue is projected to insufficiently cover a material portion of its regulatory costs, the Exchange proposes to increase the ORF starting January 1, 2026 from \$0.0014 per contract to \$0.0016 per contract. The Exchange will notify Members of the proposed change via a Regulatory Circular at least 30 calendar days prior to the effective date of the change.

Potential ORF Reform

The Exchange appreciates the evolving changes in the markets and regulatory environment and, in connection with industry and other feedback, has been evaluating the current methodologies and practices for the assessment and collection of ORF. The Exchange recognizes that an alternative model is being pursued among industry participants but that a consensus has not yet been reached. The Exchange is committed to switching to a new, modified model as soon as a consistent framework has been established with the Commission, adopted by all the options exchanges, and necessary regulatory filings submitted.

2. Statutory Basis

The Exchange believes that its proposal to amend its Fee Schedule is consistent with Section 6(b) of the Act⁹ in general, and furthers the objectives of Section 6(b)(4) of the Act¹⁰ in particular, in that it is an equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. The Exchange also believes the proposal furthers the objectives of Section 6(b)(5) of the Act¹¹ in that it is designed to promote just and equitable principles of trade, 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 and is not designed to permit unfair discrimination between customers, issuers, brokers and dealers.

The Proposal is Reasonable

The Exchange believes the proposed fee changes are reasonable because customer transactions will be subject to a lower ORF fee than the current rate. Moreover, the proposed temporary reduction to \$0.0014 per contract is reasonable because it would help ensure that collections from the ORF do not exceed a material portion of the Exchange's projected regulatory costs for 2025. As noted above, the ORF is designed to recover a material portion, but not all, of the Exchange's regulatory costs.

Although there can be no assurance that the Exchange's final costs for 2025 will not differ materially from its expectations and prior practice, nor can the Exchange predict with certainty whether options volume will remain at current or similar levels going forward, the Exchange believes that the amount collected based on the current ORF rate, when combined with regulatory fees and fines, may result in collections in excess of the projected regulatory costs for the year. Particularly, as noted above, the options market has continued to experience elevated volumes and volatility in 2025, thereby resulting in higher ORF collections than projected. The

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(4).

¹¹ 15 U.S.C. 78f(b)(5).

Exchange therefore believes that the proposed temporary decrease to the ORF is reasonable because it would help ensure that ORF collection does not exceed the projected regulatory costs for 2025. Particularly, the Exchange believes that this temporary reduction in the ORF, taken together with the Exchange's other regulatory fees and fines, would allow the Exchange to continue covering a material portion of the projected regulatory costs, while lessening the potential for generating excess funds that may otherwise occur using the current rate.

The Exchange also believes that the increase of the ORF to \$0.0016 per contract on January 1, 2026 is reasonable because it would permit the Exchange to collect an ORF that is designed to recover a material portion, but not all, of the Exchange's projected regulatory costs.

The Exchange's proposal to increase the ORF rate on January 1, 2026 is based on the Exchange's estimated projections for its regulatory costs, which are currently projected to increase in 2026, balanced with the increase in options volumes that has persisted into 2025 and that may continue into 2026. When taking into account the recent options volume, outlined above, coupled with the anticipated regulatory fees and anticipated reductions in other regulatory fees, the Exchange believes it's reasonable to increase the ORF. Particularly, the proposed change is reasonable as it would offset the anticipated increased regulatory costs. Moreover, the proposed increase is still lower than the Exchange is assessing currently and has assessed previously.

The Proposal is an Equitable Allocation of Fees

The Exchange also believes the proposed fee change is equitable and not unfairly discriminatory in that it is charged to all Members on all their transactions that clear in the customer range at the OCC.¹² The Exchange believes the ORF ensures fairness by assessing

¹² If the OCC clearing member is an Exchange Member, ORF is assessed and collected on all cleared customer contracts (after adjustment for CMTA); and (2) if the OCC clearing member is not an Exchange Member, ORF is collected only on the cleared customer contracts executed at the Exchange, taking into account any CMTA instructions which may result in collecting the ORF from a non-Member. "CMTA" or Clearing Member Trade Assignment is a form of "give-up" whereby the position will be assigned to a specific clearing firm at OCC.

higher fees to those members that require more Exchange regulatory services based on the amount of customer options business they conduct. Regulating customer trading activity is much more labor intensive and requires greater expenditure of human and technical resources than regulating non-customer trading activity, which tends to be more automated and less labor-intensive. For example, there are costs associated with main office and branch office examinations (e.g., staff expenses), as well as investigations into customer complaints and the terminations of registered persons. As a result, the costs associated with administering the customer component of the Exchange's overall regulatory program are materially higher than the costs associated with administering the non-customer component (e.g., member proprietary transactions) of its regulatory program. Moreover, the Exchange notes that it has broad regulatory responsibilities with respect to activities of its Members, irrespective of where their transactions take place. Many of the Exchange's surveillance programs for customer trading activity may require the Exchange to look at activity across all markets, such as reviews related to position limit violations and manipulation. Indeed, the Exchange cannot effectively review for such conduct without looking at and evaluating activity regardless of where it transpires. In addition to its own surveillance programs, the Exchange also works with other SROs and exchanges on intermarket surveillance related issues. Through its participation in the Intermarket Surveillance Group ("ISG")¹³ the Exchange shares information and coordinates inquiries and investigations with other exchanges designed to address potential intermarket manipulation and trading abuses. Accordingly, there is a strong nexus between the ORF and the Exchange's regulatory activities with respect to customer trading activity of its Members.

The Exchange also believes that increasing the ORF rate on January 1, 2026, is equitable because the ORF would continue to apply equally to all Members on options transactions in the

¹³ ISG is an industry organization formed in 1983 to coordinate intermarket surveillance among the SROs by cooperatively sharing regulatory information pursuant to a written agreement between the parties. The goal of the ISG's information sharing is to coordinate regulatory efforts to address potential intermarket trading abuses and manipulations.

“customer” range, at a rate designed to recover a material portion, but not all, of the Exchange’s projected regulatory costs, based on current projections that such costs will increase in 2026.

The Proposal is Not Unfairly Discriminatory

The Exchange believes that the proposal is not unfairly discriminatory. The Exchange believes that the proposed temporary decrease to the ORF rate would not place certain market participants at an unfair disadvantage because it would apply to all Members subject to the ORF and would allow the Exchange to continue to monitor the amount collected from the ORF to help ensure that ORF collection, in combination with other regulatory fees and fines, does not exceed regulatory costs. The Exchange also has provided all such Members with advance notice of the planned change to the ORF.¹⁴ Further, the Exchange believes that increasing the ORF on January 1, 2026, is not unfairly discriminatory because the Exchange would continue assessing the ORF equally to all Members based on their transactions that clear in the “customer” range at the OCC.

B. 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.

Intramarket Competition

The Exchange believes the proposed change would not impose an undue burden on intramarket competition because the ORF is charged to all Members on all their transactions that clear in the “customer” range at the OCC; thus, the amount of ORF imposed is based on the amount of customer volume transacted. The Exchange believes that the proposed temporary decrease of the ORF would not place certain market participants at an unfair disadvantage because all options transactions must clear via a clearing firm. Such clearing firms can then choose to pass through all, a portion, or none of the cost of the ORF to its customers, i.e., the entering firms. The ORF is collected from Member clearing firms by the OCC on behalf of the

¹⁴ See supra note 6.

Exchange and is assessed on all options transactions cleared at the OCC in the “customer” range.

The Exchange also believes that increasing ORF a on January 1, 2026 would not impose an undue burden on competition because it would permit the Exchange to resume assessing an ORF that is designed to recover a material portion, but not all, of the Exchange’s projected regulatory costs, based on current projections that such costs will increase in 2026.

Intermarket Competition

The proposed fee change is not designed to address any competitive issues. Rather, the proposed change is designed to help the Exchange adequately fund its regulatory activities while seeking to ensure that total collections from regulatory fees do not exceed total regulatory costs.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁵ and paragraph (f) of Rule 19b-4¹⁶ 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 change 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:

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f).

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-PEARL-2025-45 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-PEARL-2025-45. 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 filing 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-PEARL-2025-45 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.¹⁷

Sherry R. Haywood,

Assistant Secretary.

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