

## MIAX Pearl Equities Exchange Regulatory Circular 2023-17

**DATE:** December 15, 2023

**TO:** MIAX Pearl Equities Members

**FROM:** MIAX Regulatory Department

**RE:** Business Continuity and Disaster Recovery Plans Testing  
Member Designation Standards

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In coordination with other market centers and in support of Regulation Systems Compliance and Integrity (“Regulation SCI”) and MIAX Pearl 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 Pearl Equities 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 Pearl Equities 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 Pearl Equities CH4 Disaster Recovery (“MIAX Pearl Equities DR”) site during the test and the expected level of order activity will be coordinated between the MIAX Pearl Equities Exchange and the Member. Designated Members are required to maintain connection to the MIAX Pearl Equities DR systems for a twelve (12) month period after receiving notification for mandatory testing. 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 Pearl Equities will notify Designated Members of the date of MIAX Pearl Equities next scheduled BC/DR plans testing and BC/DR Plans Testing Requirements no later than four (4) months in advance of such testing date.

### Designation Standards

#### Order Entry Firm (“OEF”):

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

Equities Market Maker (“MM”):

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

Measurement Quarter:

- Volume shall be measured over the measurement quarter defined as January 1<sup>st</sup> through March 31<sup>st</sup> each year.

Notice to Designated Members

MIAx Pearl Equities will individually notify Designated Members of their designation as such (including the MIAx Pearl Equities 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 Pearl Equities Rule 321 in the next calendar quarter following their receipt of notice of designation from MIAx Pearl Equities. For example, Members meeting the Designation Standards in the January 1, 2024 through March 31, 2024 measurement quarter will be notified by MIAx Pearl Equities that they are Designated Members in early April 2024. The Member will be required to connect to the MIAx Pearl Equities DR systems in the calendar quarter commencing July 1, 2024 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 Pearl Equities 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.

For questions regarding BC/DR testing, contact Trading Operations Department at [TradingOperations@miaxglobal.com](mailto:TradingOperations@miaxglobal.com) or (609) 897-7302.

Direct Regulatory inquiries to [Regulatory@miaxglobal.com](mailto:Regulatory@miaxglobal.com) or (609) 897-7309.