



## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103696; File No. SR-CBOE-2025-057]

### **Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Certain Lead Market-Maker (“LMM”) Incentive Programs by Increasing or Decreasing Quote Width and Size Requirements, and Increasing or Decreasing Rebate Amounts, as Applicable, and to Amend the Fees Schedule to Include Further Clarifying Information Regarding the Operation of its LMM Incentive Programs**

August 13, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 7, 2025, Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) filed with the Securities and Exchange Commission (the “Commission”) the 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**

Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend certain Lead Market-Maker (“LMM”) Incentive Programs by increasing or decreasing quote width and size requirements, and increasing or decreasing rebate amounts, as applicable, and to amend the Fees Schedule to include further clarifying information regarding the operation of its LMM Incentive Programs. The text of the proposed rule change is provided in Exhibit 5.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

The text of the proposed rule change is also available on the Exchange’s website ([https://www.cboe.com/us/options/regulation/rule\\_filings/](https://www.cboe.com/us/options/regulation/rule_filings/)) and at the Exchange’s Office of the Secretary.

## **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 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 its Fees Schedule.<sup>3</sup>

The Exchange proposes to amend its Fees Schedule in connection with certain LMM Incentive Programs. Specifically, the Exchange proposes to amend its Global Trading Hours (“GTH”) Cboe Volatility Index (“VIX”) options and VIX Weekly (“VIXW”) options LMM Incentive Programs, GTH S&P 500 Index (“SPX”) options and SPX Weekly (“SPXW”) options LMM Incentive Programs, GTH Mini-SPX Index (“XSP”) options LMM Incentive Programs, Cboe Mini Bitcoin U.S. ETF Index (“MBTX”) options and MBTX Weekly (“MBTXW”) options LMM Incentive Program, Cboe Bitcoin U.S. ETF Index (“CBTX”) options and CBTX Weekly (“CBTXW”) options LMM Incentive Program, and S&P 500 Equal Weight Index (“SPEQX”) options LMM Incentive Program.

All LMM Incentive Programs provide a rebate to Trading Permit Holders (“TPHs”) with LMM appointments to the respective incentive program that meet certain quoting standards in

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<sup>3</sup> The Exchange initially filed the proposed fee changes on August 1, 2025 (SR-CBOE-2025-052). On August 7, 2025, the Exchange withdrew that filing and submitted SR-CBOE-2025-057.

the applicable series in a month. The Exchange notes that meeting or exceeding the quoting standards (both current and as proposed; described in further detail below) in each of the LMM Incentive Program products to receive the applicable rebate (both currently offered and as proposed; described in further detail below) is optional for an LMM appointed to a program. Particularly, an LMM appointed to an incentive program is eligible to receive the corresponding rebate if it satisfies the applicable quoting standards, which the Exchange believes encourages appointed LMMs to provide liquidity in the applicable class and trading session (i.e., Regular Trading Hours (“RTH”) or GTH). The Exchange may consider other exceptions to the programs’ quoting standards based on demonstrated legal or regulatory requirements or other mitigating circumstances. In calculating whether an LMM appointed to an incentive program meets the applicable program’s quoting standards each month, the Exchange excludes from the calculation in that month the business day in which the LMM missed meeting or exceeding the quoting standards in the highest number of the applicable series.

*GTH VIX/VIXW LMM Incentive Program*

The Exchange proposes to amend the GTH VIX/VIXW LMM Incentive Program. The proposed program provides that, if the appointed LMM provides continuous electronic quotes during GTH (i.e., from 7:15pm CST to 8:25am CST the next day) that meet or exceed the VIXW and VIX basic quoting standards<sup>4</sup> in at least 95% of each of the VIX and VIXW series, 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of \$25,000 for VIX and \$10,000 for VIXW (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month.

The Exchange proposes to adopt a new set of VIX heightened basic quoting standards (below) under the GTH VIX/VIXW LMM Incentive Program (new proposed widths are denoted with an asterisk).

<b>VIX Value at Prior Close &lt; 18</b>
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<sup>4</sup> Located in the “GTH VIX/VIXW LMM Incentive Program” table in the Fees Schedule.

Premium Level	Expiring		Near Term		Mid Term		Long Term	
	Less than 15 days		15 days to 60 days		61 days to 180 days		181 days or Greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0.00 - \$1.00	\$0.20	30	\$0.16	40	\$0.20	30	\$0.50	5
\$1.01 - \$3.00	\$0.30	20	\$0.25	25	\$0.25	15	\$0.70	5
\$3.01 - \$5.00	\$0.40	15	\$0.30	15	\$0.40	10	\$1.00	5
\$5.01 - \$10.00	\$0.80	10	\$0.90*	10	\$2.00	10	\$2.00	5
\$10.01 - \$30.00	\$1.80*	5	\$1.40*	5	\$1.80*	5	\$3.00	3
Greater than \$30.00	\$4.50*	3	\$4.50*	3	\$4.50*	3	\$5.00	3
<b>VIX Value at Prior Close from 18 - 25</b>								
\$0.00 - \$1.00	\$0.30	15	\$0.30	30	\$0.30	15	\$1.00	5
\$1.01 - \$3.00	\$0.35	10	\$0.35	20	\$0.40	10	\$1.00	5
\$3.01 - \$5.00	\$0.50	5	\$0.50	15	\$0.60	5	\$1.30	5
\$5.01 - \$10.00	\$1.00*	5	\$1.00*	5	\$1.50	5	\$2.20	5
\$10.01 - \$30.00	\$2.50*	1	\$2.50*	1	\$2.50*	1	\$5.00	1
Greater than \$30.00	\$5.00*	1	\$5.00*	1	\$5.00*	1	\$8.00*	1
<b>VIX Value at Prior Close from &gt; 25</b>								
\$0.00 - \$1.00	\$0.80	10	\$0.50	10	\$0.60	10	\$1.20	5
\$1.01 - \$3.00	\$1.00	10	\$0.75	10	\$1.00	10	\$1.20	5
\$3.01 - \$5.00	\$1.20	5	\$0.90	10	\$1.20	5	\$1.80	5
\$5.01 - \$10.00	\$2.00	5	\$1.50	5	\$2.50	5	\$3.00	3
\$10.01 - \$30.00	\$4.00*	1	\$4.00*	1	\$4.00*	1	\$6.00*	1
Greater than \$30.00	\$10.00	1	\$10.00	1	\$10.00	1	\$10.00	1

Finally, the Exchange proposes a change to the rebates offered by the GTH VIX/VIXW LMM Incentive Program to an LMM appointed to the program for meeting the heightened quoting standards in a given month. The Exchange proposes to increase the rebate from \$25,000 to \$30,000 for the GTH VIX LMM Incentive Program, and decrease the rebate from \$10,000 to \$5,000 for the GTH VIXW LMM Incentive Program.

GTH SPX/SPXW LMM Incentive Programs

The Exchange proposes to amend the GTH1 and GTH2 SPX/SPXW LMM Incentive Programs. Currently, the GTH1 SPX/SPXW LMM Incentive Program provides that if the appointed LMM in SPX/SPXW provides during continuous electronic quotes during GTH from 7:15PM CST to 2:00AM CST ("GTH1") that meet or exceed the program's heightened quoting standards<sup>5</sup> in at least 85% of the SPX and SPXW series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of \$25,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month). Separately, LMM's may earn an additional \$15,000 compensation for satisfying the Mid Term (23 days to 37 days to expiry) quoting requirements.

Similarly, the GTH2 SPX/SPXW LMM Incentive Program provides that if the appointed LMM in SPX/SPXW provides during continuous electronic quotes during GTH from 2:00AM CST to 8:25AM CST ("GTH2") that meet or exceed the program's heightened quoting standards<sup>6</sup> in at least 85% of the SPX and SPXW series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of \$25,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month). Separately, LMMs may earn an additional \$15,000 compensation for satisfying the Mid Term (23 days to 37 days to expiry) quoting requirements

The Exchange proposes to adopt a new set of SPX/SPXW heightened basic quoting standards (below) under the GTH1 SPX/SPXW LMM Incentive Program (new proposed widths are denoted with an asterisk).

<b>VIX Value at Prior Close &lt; 20</b>					
<b>Premium Level</b>	<b>Expiring</b>	<b>Near Term</b>	<b>Mid Term</b>	<b>Mid-Long Term</b>	<b>Long Term</b>
	<b>7 days or less</b>	<b>8 days to 22 days</b>	<b>23 days to 37 days</b>	<b>38 to 180 days</b>	<b>181 to 500 days</b>

<sup>5</sup> Located in the "GTH1 SPX/SPXW LMM Incentive Program" table in the Fees Schedule.

<sup>6</sup> Located in the "GTH2 SPX/SPXW LMM Incentive Program" table in the Fees Schedule.

	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>
\$0.00 - \$5.00	\$0.50	15	\$0.40	15	\$0.25*	10	\$0.60	5	\$1.20	5
\$5.01 - \$15.00	\$0.70	15	\$0.70	15	\$0.40*	10	\$1.50	5	\$2.50	5
\$15.01 - \$50.00	\$1.40	10	\$2.00	15	\$1.60*	10	\$2.00	5	\$5.00	5
\$50.01 - \$100.00	\$7.00	5	\$4.00	10	\$2.20*	5	\$3.50	5	\$6.00	5
\$100.01 - \$200.00	\$18.00	1	\$6.00	5	\$3.00	5	\$5.00	5	\$8.00	5
Greater than \$200.00	\$24.00	1	\$10.00	1	\$10.00	1	\$12.00	1	\$50.00	1
<b>VIX Value at Prior Close <math>\geq</math> 20 and <math>&lt;</math> 30</b>										
\$0.00 - \$5.00	\$0.70	10	\$0.80	10	\$0.60	5	\$0.75	5	\$2.00	5
\$5.01 - \$15.00	\$1.20	10	\$1.10	10	\$1.00	5	\$2.40	5	\$3.50	5
\$15.01 - \$50.00	\$2.75*	10	\$3.50	10	\$3.00	5	\$3.50	5	\$6.00	5
\$50.01 - \$100.00	\$10.00*	5	\$6.00*	5	\$5.00	5	\$4.00	5	\$8.00	5
\$100.01 - \$200.00	\$20.00*	1	\$10.00	1	\$6.00	1	\$7.00	5	\$12.00	5
Greater than \$200.00	\$30.00	1	\$12.00	1	\$12.00*	1	\$20.00	1	\$60.00	1
<b>VIX Value at Prior Close <math>\geq</math> 30</b>										
\$0.00 - \$5.00	\$2.00*	5	\$1.20	5	\$1.00	5	\$1.00	5	\$3.00	5
\$5.01 - \$15.00	\$3.00	5	\$2.70	5	\$2.20	5	\$3.00	5	\$5.00	5
\$15.01 - \$50.00	\$5.00	5	\$5.50	5	\$4.00	5	\$4.00	5	\$8.00	5
\$50.01 - \$100.00	\$15.00*	5	\$12.00	5	\$8.00	5	\$5.00	3	\$10.00	1
\$100.01 - \$200.00	\$20.00	1	\$15.00	5	\$10.00	5	\$15.00	1	\$18.00	1
Greater than \$200.00	\$30.00	1	\$30.00	1	\$20.00	1	\$30.00	1	\$70.00	1

The Exchange proposes to adopt a new set of SPX/SPXW heightened basic quoting standards (below) under the GTH2 SPX/SPXW LMM Incentive Program (new proposed widths are denoted with an asterisk).

<b>VIX Value at Prior Close &lt; 20</b>										
<b>Premium Level</b>	<b>Expiring</b>		<b>Near Term</b>		<b>Mid Term</b>		<b>Mid-Long Term</b>		<b>Long Term</b>	
	<b>7 days or less</b>		<b>8 days to 22 days</b>		<b>23 days to 37 days</b>		<b>38 to 180 days</b>		<b>181 to 500 days</b>	
	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>
\$0.00 - \$5.00	\$0.35	25	\$0.40	15	\$0.25*	15	\$0.60	5	\$1.20	5
\$5.01 - \$15.00	\$0.80	20	\$0.60	20	\$0.40*	15	\$1.50	10	\$2.00	5
\$15.01 - \$50.00	\$1.80	15	\$2.00	15	\$1.20*	10	\$2.00	10	\$4.00	5
\$50.01 - \$100.00	\$6.50*	10	\$3.00*	10	\$2.00*	5	\$3.00	10	\$5.00	5
\$100.01 - \$200.00	\$15.00	1	\$5.00	5	\$3.00	5	\$4.00	5	\$6.00	5
Greater than \$200.00	\$20.00	1	\$8.00	1	\$8.00	1	\$12.00	1	\$50.00	1
<b>VIX Value at Prior Close ≥ 20 and &lt; 30</b>										
\$0.00 - \$5.00	\$0.60	15	\$0.80	10	\$0.40	10	\$0.75	5	\$2.00	5
\$5.01 - \$15.00	\$1.00	15	\$1.00	15	\$0.80	10	\$2.20	5	\$3.00	5
\$15.01 - \$50.00	\$2.50	10	\$3.50	10	\$3.00	5	\$3.00	5	\$5.00	5
\$50.01 - \$100.00	\$9.00*	10	\$6.00*	10	\$5.00	5	\$3.50	5	\$7.00	5
\$100.01 - \$200.00	\$15.00*	1	\$8.00	5	\$6.00	1	\$6.00	5	\$10.00	5
Greater than \$200.00	\$25.00	1	\$12.00	1	\$10.00	1	\$20.00	1	\$60.00	1
<b>VIX Value at Prior Close ≥ 30</b>										
\$0.00 - \$5.00	\$0.90	10	\$1.00	10	\$0.80	5	\$1.00	5	\$3.00	5
\$5.01 - \$15.00	\$2.50	10	\$2.50	10	\$2.00	5	\$3.00	5	\$4.00	5
\$15.01 - \$50.00	\$4.00	10	\$5.00	10	\$3.50	5	\$4.00	5	\$8.00	5
\$50.01 - \$100.00	\$10.00*	5	\$10.00	5	\$8.00	5	\$4.50	3	\$10.00	1
\$100.01 - \$200.00	\$20.00	1	\$12.00	5	\$10.00	5	\$15.00	1	\$18.00	1
Greater than \$200.00	\$30.00	1	\$25.00	1	\$20.00	1	\$30.00	1	\$70.00	1

The Exchange proposes to amend the GTH1 and GTH2 XSP LMM Incentive Programs. Currently, the GTH1 XSP LMM Incentive Program provides that if the appointed LMM in XSP provides during continuous electronic quotes during GTH1 that meet or exceed the program’s heightened quoting standards<sup>7</sup> in at least 85% of each of the XSP series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of \$20,000 (or pro-rated amounts if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month.

The GTH2 XSP LMM Incentive Program provides that if the appointed LMM in XSP provides during continuous electronic quotes during GTH2 that meet or exceed the program’s heightened quoting standards<sup>8</sup> in at least 85% of the series 90% of the time in a given month, the LMM will receive a payment for that month in the amount of \$20,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month.

The Exchange proposes to adopt a new set of heightened quoting standards for each program. The proposed heightened quoting standards for XSP options during GTH1 are as follows in the table below (new proposed widths are denoted with an asterisk):

<b>VIX Value at Prior Close &lt; 20</b>									
<b>Premium Level</b>	<b>Expiring</b>		<b>Near Term</b>		<b>Mid Term</b>		<b>Long Term</b>		
	<b>7 days or less</b>		<b>8 days to 60 days</b>		<b>61 days to 270 days</b>		<b>271 to 500 days</b>		
	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	
\$0.01 - \$1.00	\$0.08	5	\$0.08	5	\$0.10	5	\$0.15	5	
\$1.01 - \$5.00	\$0.12	5	\$0.12	5	\$0.15	5	\$0.20	5	
\$5.01 - \$8.00	\$0.20	5	\$0.20	5	\$0.30	5	\$0.40	5	
\$8.01 - \$12.00	\$0.40	5	\$0.50	5	\$0.80	5	\$1.00	5	
\$12.01 - \$20.00	\$0.80	5	\$1.00	5	\$1.00	5	\$1.50	5	

<sup>7</sup> Located in the “GTH1 XSP LMM Incentive Program” table in the Fees Schedule.

<sup>8</sup> Located in the “GTH2 XSP LMM Incentive Program” table in the Fees Schedule.

Greater than \$20.00	\$1.50	5	\$2.00	5	\$2.00	5	\$3.00	5
<b>VIX Value at Prior Close <math>\geq</math> 20 and <math>&lt;</math> 30</b>								
\$0.01 - \$1.00	\$0.12	5	\$0.12	5	\$0.15	5	\$0.20	5
\$1.01 - \$5.00	\$0.15	5	\$0.15	5	\$0.20	5	\$0.30	5
\$5.01 - \$8.00	\$0.25	5	\$0.25	5	\$0.40	5	\$0.70	5
\$8.01 - \$12.00	\$0.60	5	\$0.80	5	\$1.10	5	\$1.50	5
\$12.01 - \$20.00	\$1.00	5	\$1.30	5	\$1.80	5	\$2.20	5
Greater than \$20.00	\$2.00	5	\$2.40	5	\$2.80	5	\$3.60	5
<b>VIX Value at Prior Close <math>\geq</math> 30</b>								
\$0.01 - \$1.00	\$0.15	5	\$0.16	5	\$0.20	5	\$0.30	5
\$1.01 - \$5.00	\$0.50*	5	\$0.50*	5	\$0.50*	5	\$0.80*	5
\$5.01 - \$8.00	\$0.60*	5	\$0.60*	5	\$0.70*	5	\$1.20*	5
\$8.01 - \$12.00	\$1.00*	5	\$0.90	5	\$1.20	5	\$1.50	5
\$12.01 - \$20.00	\$1.20	5	\$1.50	5	\$2.00	5	\$2.40	5
Greater than \$20.00	\$2.40	5	\$2.80	5	\$3.20	5	\$4.00	5

The proposed heightened quoting standards for XSP options during GTH2 are as follows in the table below (new proposed widths are denoted with an asterisk):

<b>VIX Value at Prior Close <math>&lt;</math> 20</b>									
<b>Premium Level</b>	<b>Expiring</b>		<b>Near Term</b>		<b>Mid Term</b>		<b>Long Term</b>		
	<b>7 days or less</b>		<b>8 days to 60 days</b>		<b>61 days to 270 days</b>		<b>271 to 500 days</b>		
	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	<b>Width</b>	<b>Size</b>	
\$0.01 - \$1.00	\$0.05	5	\$0.07	5	\$0.08	5	\$0.12	5	
\$1.01 - \$5.00	\$0.10	5	\$0.10	5	\$0.12	5	\$0.16	5	
\$5.01 - \$8.00	\$0.16	5	\$0.16	5	\$0.20	5	\$0.40	5	
\$8.01 - \$12.00	\$0.30	5	\$0.40	5	\$0.60	5	\$0.80	5	

\$12.01 - \$20.00	\$0.80	5	\$0.80	5	\$0.80	5	\$1.20	5
Greater than \$20.00	\$2.00	5	\$2.00	5	\$2.00	5	\$3.00	5
<b>VIX Value at Prior Close <math>\geq</math> 20 and <math>&lt;</math> 30</b>								
\$0.01 - \$1.00	\$0.10	5	\$0.10	5	\$0.12	5	\$0.20	5
\$1.01 - \$5.00	\$0.14	5	\$0.15	5	\$0.16	5	\$0.30	5
\$5.01 - \$8.00	\$0.20	5	\$0.20	5	\$0.30	5	\$0.60	5
\$8.01 - \$12.00	\$0.50	5	\$0.70	5	\$1.00	5	\$1.30	5
\$12.01 - \$20.00	\$1.00	5	\$1.20	5	\$1.50	5	\$2.20	5
Greater than \$20.00	\$2.00	5	\$2.40	5	\$2.40	5	\$3.60	5
<b>VIX Value at Prior Close <math>\geq</math> 30</b>								
\$0.01 - \$1.00	\$0.15	5	\$0.16	5	\$0.20	5	\$0.30	5
\$1.01 - \$5.00	\$0.30*	5	\$0.30*	5	\$0.40*	5	\$0.60*	5
\$5.01 - \$8.00	\$0.40*	5	\$0.40*	5	\$0.60*	5	\$1.00*	5
\$8.01 - \$12.00	\$0.60	5	\$0.90	5	\$1.20	5	\$1.50	5
\$12.01 - \$20.00	\$1.20	5	\$1.50	5	\$2.00	5	\$2.40	5
Greater than \$20.00	\$2.40	5	\$2.80	5	\$3.20	5	\$4.00	5

RTH MBTX/MBTW LMM Incentive Program

The Exchange proposes to amend the RTH MBTX/MBTXW LMM Incentive Program (“MBTX LMM Incentive Program”). The MBTX LMM Incentive Program provides that if the appointed LMM provides continuous electronic quotes during RTH that meet or exceed the program’s heightened quoting standards<sup>9</sup> in at least 85% of MBTX series 85% of the time in a given month, the LMM will receive (i) a payment for that month in the amount of \$10,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior

<sup>9</sup> Located in the “RTH MBTX/MBTXW LMM Incentive Program” table in the Fees Schedule.

to the last trading day of the month) for that month and (ii) a credit of \$0.25/contract applied to all MBTX contracts executed in Market-Maker capacity during RTH.

The Exchange proposes to adopt a new set of MBTX heightened quoting standards (below) (new proposed widths and sizes are denoted with an asterisk).

Premium Level	6 days or less		7 days to 14 days		15 days to 60 days		61 to 120 days		121 to 270 days	
	Width	Size	Width	Size	Width	Size	Width	Size	Width	Size
\$0.00 - \$1.00	\$0.05*	15	\$0.10*	15	\$0.10*	10	\$0.15	5	\$0.25	5
\$1.01 - \$3.00	\$0.20	15	\$0.20	15	\$0.20	10	\$0.20*	5	\$0.40*	5
\$3.01 - \$5.00	\$0.45*	15	\$0.45*	15	\$0.45*	10	\$0.40	5	\$0.80*	5
\$5.01 - \$10.00	\$0.60*	5	\$0.60	10	\$0.60	15*	\$0.60	5	\$1.75*	3
\$10.01 - \$20.00	\$1.40*	1	\$5.00	1	\$6.00	5*	\$0.90*	5	\$2.40*	3
\$20.01 - \$50.00	\$8.00	1	\$10.00	1	\$10.00	3*	\$8.00	1	\$10.00	1
Greater than \$50.00	\$10.00	1	\$12.00	1	\$12.00	1	\$8.00	1	\$12.00	1

The Exchange also proposes a change to the rebate offered by the MBTX LMM Incentive Program to an LMM appointed to the program for meeting the heightened quoting standards in a given month. The Exchange proposes to decrease the rebate from \$10,000 to \$5,000; the credit of \$0.25/contract applied to all MBTX contracts executed in Market-Maker capacity during RTH remains the same.

RTH CBTX/CBTXW LMM Incentive Program

The Exchange proposes to amend the RTH CBTX/CBTXW LMM Incentive Program (“RTH CBTX LMM Incentive Program”). The CBTX LMM Incentive Program provides that if an LMM appointed to the CBTX LMM Incentive Program provides continuous electronic quotes during RTH that meet or exceed the proposed heightened quoting standards<sup>10</sup> in at least 85% of CBTX series 85% of the time in a given month, the LMM will receive (i) a payment for that

<sup>10</sup> Located in the “RTH CBTX/CBTXW LMM Incentive Program” table in the Fees Schedule.

month in the amount of \$10,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) and (ii) a credit of \$0.50/contract applied to all CBTX contracts executed in Market-Maker capacity during RTH.

The Exchange proposes to adopt a new set of CBTX heightened quoting standards (below) (new proposed widths and sizes are denoted with an asterisk).

Premium Level	6 days or less		7 days to 14 days		15 days to 60 days		61 to 120 days		121 to 270 days	
	Width	Size	Width	Size	Width	Size	Width	Size	Width	Size
\$0.00 - \$5.00	\$2.00*	1*	\$2.00*	1*	\$2.40*	1*	\$2.50*	1*	\$3.00*	1*
\$5.01 - \$10.00	\$2.50*	1*	\$2.50*	1*	\$2.70*	1*	\$3.00*	1*	\$5.00*	1*
\$10.01 - \$20.00	\$4.00*	1*	\$4.00*	1*	\$5.50*	1*	\$6.00*	1*	\$8.00*	1*
\$20.01 - \$50.00	\$5.00*	1*	\$5.00*	1*	\$4.50*	1*	\$7.00*	1*	\$8.00*	1*
\$50.01 - \$100.00	\$6.00	1	\$6.00*	1*	\$5.50*	1*	\$8.00*	1*	\$10.00*	1*
\$100.01 - \$200.00	\$12.00	1	\$12.00	1	\$12.00*	1	\$12.00*	1	\$12.00*	1
Greater than \$200.00	\$20.00*	1	\$20.00*	1	\$20.00*	1	\$20.00*	1	\$20.00*	1

#### RTH SPEQX LMM Incentive Program

The Exchange proposes to amend the SPEQX LMM Incentive Program (“SPEQX LMM Incentive Program”). The SPEQX LMM Incentive Program provides that if an LMM appointed to the SPEQX LMM Incentive Program provides continuous electronic quotes during RTH that meet or exceed the proposed heightened quoting standards<sup>11</sup> in at least 90% of SPEQX series 90% of the time in a given month, the LMM will receive a payment for that month in the amount of \$15,000 (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month.

<sup>11</sup> Located in the “RTH SPEQX LMM Incentive Program” table in the Fees Schedule.

The Exchange proposes to adopt a new set of SPEQX heightened quoting standards

(below) (new proposed widths and sizes are denoted with an asterisk).

Premium Level	Expiring		Near Term		Mid Term		Long Term	
	7 days or less		8 days to 30 days		31 days to 90 days		90 to 270 days	
	Width	Size	Width	Size	Width	Size	Width	Size
<b>VIX Value at Prior Close ≤ 18</b>								
\$0.00 - \$3.00	\$0.30*	1*	\$0.35*	1*	\$0.45*	1*	\$0.70*	1*
\$3.01 - \$8.00	\$0.40*	1*	\$0.60*	1*	\$0.80*	1*	\$1.10*	1*
\$8.01 - \$15.00	\$2.50*	1*	\$1.70*	1*	\$2.00*	1*	\$2.00*	1*
\$15.01 - \$25.00	\$6.00*	1*	\$4.00*	1*	\$4.00*	1*	\$4.00*	1*
\$25.01 - \$35.00	\$9.00*	1	\$8.00*	1*	\$8.00*	1*	\$6.00*	1*
\$35.01 - \$50.00	\$12.50*	1	\$12.50*	1	\$12.50*	1	\$12.50*	1
Greater than \$50.00	\$19.00*	1	\$19.00*	1	\$19.00*	1	\$19.00*	1
<b>VIX Value at Prior Close &gt; 18 and &lt; 25</b>								
\$0.00 - \$3.00	\$0.50*	1*	\$0.65*	1*	\$0.75*	1*	\$1.00*	1*
\$3.01 - \$8.00	\$0.70*	1*	\$0.90*	1*	\$1.30*	1*	\$1.60*	1*
\$8.01 - \$15.00	\$3.00*	1*	\$2.50	1*	\$2.50*	1*	\$3.00*	1*
\$15.01 - \$25.00	\$7.00*	1*	\$6.00*	1*	\$4.50*	1*	\$4.50*	1*
\$25.01 - \$35.00	\$10.00	1	\$10.00	1	\$9.00*	1	\$7.50*	1
\$35.01 - \$50.00	\$15.00*	1	\$15.00*	1	\$15.00*	1	\$15.00*	1
Greater than \$50.00	\$23.50*	1	\$23.50*	1	\$23.50*	1	\$23.50*	1
<b>VIX Value at Prior Close ≥ 25</b>								
\$0.00 - \$3.00	\$0.60*	1*	\$0.80*	1*	\$1.00*	1*	\$1.30*	1*
\$3.01 - \$8.00	\$1.50*	1*	\$1.80*	1*	\$2.30*	1*	\$2.50*	1*
\$8.01 - \$15.00	\$4.00*	1*	\$3.00*	1*	\$3.00*	1*	\$4.00*	1*
\$15.01 - \$25.00	\$8.00*	1	\$7.00*	1*	\$6.00*	1*	\$6.00	1
\$25.01 - \$35.00	\$15.00	1	\$15.00	1	\$15.00	1	\$10.00	1
\$35.01 - \$50.00	\$20.00	1	\$20.00	1	\$20.00	1	\$20.00	1
Greater than \$50.00	\$25.00	1	\$25.00	1	\$25.00	1	\$25.00	1

Proposed Footnote 53

Finally, the Exchange proposes to add Footnote 53 to the Fees Schedule to provide further clarifying information regarding the operation of its LMM Incentive Programs.

Specifically, proposed Footnote 53 provides that, for purposes of Exchange LMM Incentive Programs, all of an LMM's continuous electronic quotes across all Executing Firm IDs (“EFIDs”) will be considered in calculating whether an LMM meets the heightened quoting standards each month to achieve rebate payments, as applicable. Proposed Footnote 53 further provides that, in calculating whether an LMM met the heightened quoting standard each month, the Exchange will make appropriate adjustments to account for trading halts and abbreviated trading sessions, as applicable. The Exchange proposes to append Footnote 53 to all of its LMM Incentive Programs within the Fees Schedule. The proposed changes will not result in any practical changes in calculating whether an LMM met the heightened quoting standards each month to achieve rebate payments under each of the LMM Incentive Programs, but rather are being added to eliminate potential confusion.

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>12</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>13</sup> requirements that the rules of an exchange be 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 mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>14</sup> requirement that the rules of an exchange not be designed to

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<sup>12</sup> 15 U.S.C. 78f(b).

<sup>13</sup> 15 U.S.C. 78f(b)(5).

<sup>14</sup> Id.

permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>15</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its TPHs and other persons using its facilities.

The Exchange believes that it is reasonable to amend the monthly rebate amounts applicable to the GTH VIX/VIXW options LMM Incentive Programs and MBTX options LMM Incentive Program. The Exchange notes that LMMs appointed to the respective programs will continue to receive a monthly rebate. The Exchange believes that the proposed rebate amounts are reasonably designed to continue to incentivize an LMM appointed to the respective program to meet the applicable quoting standards for VIX/VIXW and MBTX options, thereby providing liquid and active markets, which facilitates tighter spreads, increased trading opportunities, and overall enhanced market quality to the benefit of all market participants.

The Exchange further believes that the proposed rule change to amend the rebate amounts received for VIX/VIXW (\$30,000 for VIX and \$5,000 for VIXW) and MBTX (\$5,000) options is reasonable because they are in line with other rebates offered through other LMM Incentive Programs offered by the Exchange. The Exchange believes the amount of the rebate for each LMM Incentive Program remains commensurate with the quoting standards of each of the LMM Incentive Programs, of which some standards are being restructured, as proposed.

Similarly, the Exchange believes that it is reasonable to amend the heightened quoting standards under the GTH VIX, GTH SPX/SPXW, GTH XSP, MBTX, CBTX, and SPEQX LMM Incentive Programs. The proposed quoting standards are overall reasonably designed to continue to encourage LMMs appointed to the incentive programs to provide significant liquidity in these options, which benefits investors overall by providing more trading opportunities, tighter spreads, and added market transparency and price discovery.

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<sup>15</sup> 15 U.S.C. 78f(b)(4).

The proposed changes adopt generally tighter widths for VIX, SPX/SPXW, MBTX, and SPEQX, and larger quotes sizes for MBTX. The Exchange believes that by adopting heightened quoting standards that provide for tighter width and larger quote size standards, the proposed rule change offers LMMs appointed to the programs a more challenging opportunity, thus further incentive, to strive to meet the heightened quoting standards in order to receive the additional rebate on their VIX, SPX/SPXW, MBTX and SPEQX options orders. As noted above, the proposed quoting standards are overall reasonably designed to continue to encourage LMMs appointed to the incentive programs to provide significant liquidity in these options, which benefits investors overall by providing more trading opportunities, tighter spreads, and added market transparency and price discovery.

The proposed changes also adopt generally wider widths for XSP and CBTX and smaller quotes sizes for CBTX and SPEQX. The Exchange believes that the proposed changes to width and quote sizes for the various programs' heightened quoting standards, while easing the standards and thus potentially making it easier for appointed LMMs to achieve such requirements, continues to incentivize quoting activity in XSP, CBTX, and SPEQX options and may possibly incentive increased quoting activity. Particularly, by increasing certain quote widths and decreasing certain quote sizes, the Exchange believes the proposed changes will encourage appointed LMMs to post more aggressive quotes in XSP, CBTX, and SPEQX options, in order to meet the heightened quoting standards, as amended, and receive the rebates offered under the incentive program, resulting in tighter spreads and increased liquidity to the benefits of investors.

The Exchange also notes that the proposed heightened quoting standards for VIX, SPX/SPXW, XSP, MBTX, CBTX, and SPEQX options do not represent a significant departure from each of the program's current quote width and size standards and remain generally aligned with the current heightened standards in the programs, as the proposed width and quote sizes are only marginally changed in order to incentivize an increase in quoting activity.

The Exchange believes that the proposed changes to the LMM Incentive Programs are equitable and not unfairly discriminatory. Specifically, the changes to the LMM Incentive Program will apply equally to any and all TPHs with LMM appointments to the VIX/VIXW, SPX/SPXW, XSP, CBTX, MBTX, and SPEQX LMM Incentive Programs, as applicable, that seek to meet the programs' quoting standards in order to receive the rebates offered under each respective program. The Exchange additionally notes that, if an LMM appointed to any of the LMM Incentive Programs does not satisfy the corresponding heightened quoting standard for any given month, then it simply will not receive the rebate offered by the respective program for that month.

Regarding each of the LMM Incentive Programs generally, the Exchange believes it is reasonable, equitable and not unfairly discriminatory to continue to offer these financial incentives, including as amended, to LMMs appointed to the programs, because it benefits all market participants trading in the corresponding products during RTH (for MBTX, CBTX, and SPEQX) and GTH (for VIX/VIXW, SPX/SPXW and XSP). These incentive programs encourage the LMMs appointed to such programs to satisfy the applicable quoting standards, which may increase liquidity and provide more trading opportunities and tighter spreads. Indeed, the Exchange notes that these LMMs serve a crucial role in providing quotes and the opportunity for market participants to trade VIX/VIXW, SPX/SPXW, XSP, CBTX, MBTX, and SPEQX options, as applicable, which can lead to increased volume, providing for robust markets. The Exchange ultimately offers the LMM Incentive Programs, as amended, to sufficiently incentivize LMMs appointed to each incentive program to provide key liquidity and active markets in the corresponding program products during the corresponding trading sessions, and believes that these incentive programs, as amended, will continue to encourage increased quoting to add liquidity in each of the corresponding program products, thereby protecting investors and the public interest. The Exchange also notes that an LMM appointed to an incentive program may

undertake added costs each month to satisfy that heightened quoting standards (e.g., having to purchase additional logical connectivity).

Finally, the Exchange believes the proposed change to add Footnote 53 will remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, will protect investors and the public interest. The proposed change clarifies certain aspects regarding the operation of the Exchange's LMM Incentive Programs that are in place today. Overall, the changes merely codify these operational aspects and are intended to add clarity to the Fees Schedule, thereby mitigating any potential confusion, to the benefit of investors.

**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. The Exchange does not believe the proposed rule changes regarding the LMM Incentive Programs will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, because these changes, as well as the to LMM Incentive Programs in general, will apply to all LMMs appointed to the applicable program classes (i.e., VIX/VIXW, SPX/SPXW, XSP, CBTX, MBTX, and SPEQX) in a uniform manner. To the extent these LMMs appointed to an incentive program receive a benefit that other market participants do not, as stated, these LMMs in their role as Market-Makers on the Exchange have different obligations and are held to different standards. For example, Market-Makers play a crucial role in providing active and liquid markets in their appointed products, thereby providing a robust market which benefits all market participants. Such Market-Makers also have obligations and regulatory requirements that other participants do not have. The Exchange also notes that an LMM appointed to an LMM Incentive Program may undertake added costs each month to satisfy that heightened quoting standards (e.g., having to purchase additional logical connectivity). The Exchange also notes that the LMM Incentive Programs are designed to attract additional order

flow to the Exchange, wherein greater liquidity benefits all market participants by providing more trading opportunities, tighter spreads, and added market transparency and price discovery, and signals to other market participants to direct their order flow to those markets, thereby contributing to robust levels of liquidity. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."<sup>16</sup> Additionally, the Exchange does not believe the proposed clarifying rule changes will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as the changes will not result in any practical changes in calculating whether an LMM met the heightened quoting standards each month to achieve rebate payments under each of the LMM Incentive Programs, but rather are being added to eliminate potential confusion.

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as the changes to amend certain LMM Incentive Programs apply only to transactions in products exclusively listed on the Exchange. As noted above, the incentive programs are designed to attract additional order flow to the Exchange, wherein greater liquidity benefits all market participants by providing more trading opportunities, tighter spreads, and added market transparency and price discovery, and signals to other market participants to direct their order flow to those markets, thereby contributing to robust levels of liquidity. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

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<sup>16</sup> See Securities Exchange Act Release No. 51808, 70 FR 37495, 37498-99 (June 29, 2005) (S7-10-04) (Final Rule).

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

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

**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 Act<sup>17</sup> and paragraph (f) of Rule 19b-4<sup>18</sup> 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 will 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:

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](mailto:rule-comments@sec.gov). Please include file number SR-CBOE-2025-057 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.

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<sup>17</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>18</sup> 17 CFR 240.19b-4(f).

All submissions should refer to file number SR-CBOE-2025-057. 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-CBOE-2025-057 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.<sup>19</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>19</sup> 17 CFR 200.30-3(a)(12).