

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="21"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2018"/> - * <input type="text" value="026"/>	Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by Cboe BZX Exchange, Inc.
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"/>
			Rule		
Pilot <input type="checkbox"/>	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 type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

The Exchange proposes to modify Rule 21.9 to modify the description of two existing routing strategies and to adopt a new routing strategy.

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 * <input type="text" value="Anders"/>	Last Name * <input type="text" value="Franzon"/>
Title * <input type="text" value="SVP, Deputy General Counsel"/>	
E-mail * <input type="text" value="afranzon@cboe.com"/>	
Telephone * <input type="text" value="(913) 815-7154"/>	Fax <input type="text"/>

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 *)

Date <input type="text" value="04/02/2018"/>	<input type="text" value="SVP, Deputy General Counsel"/>
By <input type="text" value="Anders Franzon"/>	<input type="text"/>
(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 EFFF 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 *

Add Remove View

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

Add Remove View

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

Add Remove View

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) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹, and Rule 19b-4 thereunder,² Cboe BZX Exchange, Inc. (the “Exchange”) is filing with the Securities and Exchange Commission (the “Commission”) a proposal to modify Rule 21.9 of the Exchange’s rules and related functionality applicable to the routing options made available by the Exchange’s equity options platform (“BZX Options”).

The text of the proposed rule change is attached as Exhibit 5. Material proposed to be added is underlined. Material proposed to be deleted is enclosed in brackets.

(b) Not applicable

(c) Not applicable

2. Procedures of the Self-Regulatory Organization

(a) The Exchange’s President (or designee) pursuant to delegated authority approved the proposed rule change on April 2, 2018.

(b) Please refer questions and comments on the proposed rule change to Patrick Sexton, Executive Vice President, General Counsel and Corporate Secretary, (312) 786-7467, or Anders Franzon, (913) 815-7154, SVP, Deputy General Counsel.

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

(a) Purpose

The Exchange proposes to modify Rule 21.9 to modify the description of two existing routing strategies (without modifying such strategies) and to adopt a new routing

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

strategy. Exchange Rule 21.9 describes various options to route orders away from BZX Options to other options exchanges. Rule 21.9(a)(2)(A) describes Parallel D routing as a routing option under which an order checks the System³ for available contracts and then is sent to destinations on the System routing table. Parallel 2D is described in Rule 21.9(a)(2)(B) in the same way. To distinguish the two options, however, Parallel D routing is described as a routing option that may route to multiple destinations at a *single price level* simultaneously whereas Parallel 2D routing is described as a routing option that may route to multiple destinations and at *multiple price levels* simultaneously. The Exchange proposes to retain this functionality but to change the refer to the routing strategy equivalent to both Parallel D and Parallel 2D as the ROUT routing option and then to specify that a User⁴ may select either Route To Improve (“RTI”) or Route To Fill (“RTF”) for the ROUT routing option, thus capturing the distinction between the two strategies. In other words, the RTI routing option would continue to function as the Parallel D routing option is described (i.e., routing at a single price level) and the RTF would continue to function as the Parallel 2D routing option is described (i.e. routing at multiple price levels). The proposed description is substantively identical to and based on the description employed for the Exchange’s cash equities trading platform (“BZX Equities”).⁵ The Exchange does not propose any other changes to these routing options.

³ The “System” is the automated trading system used by BZX Options for the trading of options contracts. See Rule 16.1(a)(59).

⁴ The term “User” means any Options Member or Sponsored Participant who is authorized to obtain access to the Exchange’s System pursuant to Rule 11.3. See Rule 16.1(a)(63).

⁵ See BZX Rule 11.13(b)(3)(G).

The Exchange also proposes to adopt the SWPA routing option based on a similar routing option offered with respect to BZX Equities. Specifically, as proposed, SWPA would be a routing option under which an order checks the System for available contracts and then is sent to only Protected Quotations⁶ and only for displayed size. Further, to the extent that any portion of the routed order is unexecuted, the remainder is posted to the BZX Options Book at the order's limit price, unless otherwise instructed by the User. This proposed routing strategy is based on and similar to BZX Rule 11.13(b)(3)(I), which describes the SWPA routing strategy for BZX Equities. However, the Exchange has proposed language describing SWPA on BZX Options instead on rule text of its affiliate, Cboe EDGX Exchange, Inc. ("EDGX"), which also offers the SWPA routing strategy for its cash equities trading platform ("EDGX Equities").⁷ The proposed rule text for BZX Options' version of SWPA is specifically based on EDGX Rule 11.11(g)(9), and is identical except for references to "contracts" instead of "shares" and reference to the "BZX Options Book" instead of the "EDGX Book." The Exchange also has not proposed to adopt the final sentence of the routing strategy as defined for EDGX Equities because that sentence is only necessary to differentiate the SWPA routing strategy from

⁶ The term Protected Quotation is defined in BZX Rule 27.1(a)(19) and has the same meaning as is set forth in Regulation NMS Rule 600(b)(58).

⁷ Although BZX Equities also offers the SWPA routing strategy, its description is formatted differently than the EDGX Equities version. In turn, because EDGX is simultaneously proposing to adopt a SWPA routing strategy for its options trading platform ("EDGX Options") based on the EDGX Equities description, the Exchange believes it is preferable to retain consistency between BZX Options and EDGX Options. Accordingly, the Exchange has proposed to follow the structure of the EDGX Equities description rather than the BZX Equities description.

the SWPB routing strategy and the Exchange is not proposing to adopt SWPB routing for BZX Options.

(b) Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act⁹ in particular, 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. The change to the references to the Parallel D and Parallel 2D routing options are intended to align the Exchange's routing strategies between BZX Equities and BZX Options. As noted above, there is no substantive change to the operation of the strategies.

The proposed rule change also is designed to support the principles of Section 11A(a)(1)¹⁰ of the Act in that it seeks to assure fair competition among brokers and dealers and among exchange markets. In particular, the proposed change to introduce an additional routing strategy will provide market participants with greater flexibility in routing orders consistent with the options market Options Order Protection and Locked/Crossed Market Plan without developing order routing strategies on their own. The Exchange again notes that the proposed routing strategy is based on and substantively identical to a routing option offered by BZX Equities.¹¹

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ 15 U.S.C. 78k-1(a)(1).

¹¹ See EDGX Rule 11.11(g)(9).

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. The Exchange notes that the proposal will further promote consistency between the Exchange's trading platforms for BZX Equities and BZX Options. The Exchange does not believe that the proposed changes will have any impact on inter-market competition as the proposed SWPA routing strategy will be available to all Users. The Exchange does not believe that the proposed SWPA routing strategy will impose any burden on intra-market competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange provides routing services in a highly competitive market in which participants may avail themselves of a wide variety of routing options offered by self-regulatory organizations, other broker-dealers, market participants' own proprietary routing systems, and service bureaus. In such an environment, system enhancements such as the changes proposed in this rule filing do not burden competition, because they can succeed in attracting order flow to the Exchange only if they offer investors higher quality and better value than services offered by others.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

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)

The Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act¹² and paragraph (f)(6) thereunder.¹³ The Exchange asserts that the proposed rule change: (1) will not significantly affect the protection of investors or the public interest; (2) will not impose any significant burden on competition; and (3) will not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate. In addition, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter time as designated by the Commission.¹⁴

The Exchange believes that the proposed rule change is particularly appropriate for filing on an immediately effective basis under paragraph (f)(6) of Rule 19b-4. As described above, the rule changes proposed herein are to modify the references to, but not the operation of, existing BZX Options routing options based on BZX Equities rules and to adopt for BZX Options a new routing option identical to a routing option offered by BZX Equities and EDGX Equities. Because this filing is based on rules currently in place on the Exchange¹⁵ and does not present any new or novel issues that have not been

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4.

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

¹⁵ See BZX Rules 11.13(b)(3)(G) and (I); see also EDGX Rule 11.11(g)(9).

previously considered by the Commission, the Exchange believes this proposal is properly filed pursuant to paragraph (f)(6) of Rule 19b-4.¹⁶

Furthermore, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

The Exchange respectfully requests that the Commission waive the 30-day operative delay so that the proposed rule changes may become effective and operative upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act¹⁷ and paragraph (f)(6) of Rule 19b-4 thereunder.¹⁸ Waiver of the operative delay is consistent with the protection of investors and the public interest because it will allow the Exchange to immediately adjust certain references to existing routing strategies and to offer the SWPA routing option, which is already available on BZX Equities. The Exchange does not believe that benefits to Exchange Users expected from the proposed rule change should be delayed.

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: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If

¹⁶ 17 CFR 240.19b-4(f)(6).

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6).

the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

8. Proposed Rule Change Based on Rule of Another Self-Regulatory Organization or of the Commission

As noted above, the proposed rule changes to modify the descriptions of the Parallel D and Parallel 2D routing options to the ROUT routing option with two variations, RTI or RTF, is based on BZX Rule 11.13(b)(3)(G), which is applicable to BZX Equities. Similarly, the SWPA routing option for BZX Options is based on EDGX Rule 11.11(g)(9), which is applicable to EDGX Equities.¹⁹ The proposed SWPA routing options is identical to the existing description of SWPA in EDGX Rule 11.11(g)(9) other than necessary differences due to differences between equities and options (e.g., shares vs. contracts) and the omission of a statement contained in the EDGX Equities rule differentiating SWPA from SWPB (because the Exchange is not proposing to adopt the SWPB routing option for BZX Options).

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.

¹⁹ As noted above, while the proposed SWPA routing strategy is also based on and similar to the SWPA routing strategy offered by BZX Equities, the Exchange has based the proposed structure of the SWPA routing description on the EDGX Equities description rather than the BZX Equities description in order to maintain consistency between BZX Options and EDGX Options. See supra, note 7.

11. Exhibits

Exhibit 1: Completed Notice of the Proposed Rule Change for publication in the Federal Register.

Exhibits 2 – 4: Not applicable.

Exhibit 5: Text of Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-CboeBZX-2018-026)

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Modify Rule 21.9 of the Exchange's Rules and Related Functionality Applicable to the Routing Options Made Available by the Exchange's Equity Options Platform

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 _____, Cboe BZX Exchange, Inc. (the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)(iii) thereunder,⁴ which renders it effective upon filing with the Commission. 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 filed a proposal to modify Rule 21.9 of the Exchange's rules and related functionality applicable to the routing options made available by the Exchange's equity options platform ("BZX Options").

The text of the proposed rule change is available at the Exchange's website at

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

www.markets.cboe.com, at the principal office of the Exchange, 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 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 parts 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 modify Rule 21.9 to modify the description of two existing routing strategies (without modifying such strategies) and to adopt a new routing strategy. Exchange Rule 21.9 describes various options to route orders away from BZX Options to other options exchanges. Rule 21.9(a)(2)(A) describes Parallel D routing as a routing option under which an order checks the System⁵ for available contracts and then is sent to destinations on the System routing table. Parallel 2D is described in Rule 21.9(a)(2)(B) in the same way. To distinguish the two options, however, Parallel D routing is described as a routing option that may route to multiple destinations at a *single price level* simultaneously whereas Parallel 2D routing is described as a routing option that may route to multiple destinations and at *multiple price levels* simultaneously. The

⁵ The "System" is the automated trading system used by BZX Options for the trading of options contracts. See Rule 16.1(a)(59).

Exchange proposes to retain this functionality but to change the refer to the routing strategy equivalent to both Parallel D and Parallel 2D as the ROU^T routing option and then to specify that a User⁶ may select either Route To Improve (“RTI”) or Route To Fill (“RTF”) for the ROU^T routing option, thus capturing the distinction between the two strategies. In other words, the RTI routing option would continue to function as the Parallel D routing option is described (i.e., routing at a single price level) and the RTF would continue to function as the Parallel 2D routing option is described (i.e. routing at multiple price levels). The proposed description is substantively identical to and based on the description employed for the Exchange’s cash equities trading platform (“BZX Equities”).⁷ The Exchange does not propose any other changes to these routing options.

The Exchange also proposes to adopt the SWPA routing option based on a similar routing option offered with respect to BZX Equities. Specifically, as proposed, SWPA would be a routing option under which an order checks the System for available contracts and then is sent to only Protected Quotations⁸ and only for displayed size. Further, to the extent that any portion of the routed order is unexecuted, the remainder is posted to the BZX Options Book at the order’s limit price, unless otherwise instructed by the User. This proposed routing strategy is based on and similar to BZX Rule 11.13(b)(3)(I), which describes the SWPA routing strategy for BZX Equities. However, the Exchange has proposed language describing SWPA on BZX Options instead on rule text of its affiliate,

⁶ The term “User” means any Options Member or Sponsored Participant who is authorized to obtain access to the Exchange’s System pursuant to Rule 11.3. See Rule 16.1(a)(63).

⁷ See BZX Rule 11.13(b)(3)(G).

⁸ The term Protected Quotation is defined in BZX Rule 27.1(a)(19) and has the same meaning as is set forth in Regulation NMS Rule 600(b)(58).

Cboe EDGX Exchange, Inc. (“EDGX”), which also offers the SWPA routing strategy for its cash equities trading platform (“EDGX Equities”).⁹ The proposed rule text for BZX Options’ version of SWPA is specifically based on EDGX Rule 11.11(g)(9), and is identical except for references to “contracts” instead of “shares” and reference to the “BZX Options Book” instead of the “EDGX Book.” The Exchange also has not proposed to adopt the final sentence of the routing strategy as defined for EDGX Equities because that sentence is only necessary to differentiate the SWPA routing strategy from the SWPB routing strategy and the Exchange is not proposing to adopt SWPB routing for BZX Options.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act¹⁰ in general, and furthers the objectives of Section 6(b)(5) of the Act¹¹ in particular, 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. The change to the references to the Parallel D and Parallel 2D routing options are intended to align the

⁹ Although BZX Equities also offers the SWPA routing strategy, its description is formatted differently than the EDGX Equities version. In turn, because EDGX is simultaneously proposing to adopt a SWPA routing strategy for its options trading platform (“EDGX Options”) based on the EDGX Equities description, the Exchange believes it is preferable to retain consistency between BZX Options and EDGX Options. Accordingly, the Exchange has proposed to follow the structure of the EDGX Equities description rather than the BZX Equities description.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

Exchange's routing strategies between BZX Equities and BZX Options. As noted above, there is no substantive change to the operation of the strategies.

The proposed rule change also is designed to support the principles of Section 11A(a)(1)¹² of the Act in that it seeks to assure fair competition among brokers and dealers and among exchange markets. In particular, the proposed change to introduce an additional routing strategy will provide market participants with greater flexibility in routing orders consistent with the options market Options Order Protection and Locked/Crossed Market Plan without developing order routing strategies on their own. The Exchange again notes that the proposed routing strategy is based on and substantively identical to a routing option offered by BZX Equities.¹³

(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 notes that the proposal will further promote consistency between the Exchange's trading platforms for BZX Equities and BZX Options. The Exchange does not believe that the proposed changes will have any impact on inter-market competition as the proposed SWPA routing strategy will be available to all Users. The Exchange does not believe that the proposed SWPA routing strategy will impose any burden on intra-market competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange provides routing services in a highly competitive market in which participants may avail themselves of a wide variety of routing options

¹² 15 U.S.C. 78k-1(a)(1).

¹³ See EDGX Rule 11.11(g)(9).

offered by self-regulatory organizations, other broker-dealers, market participants' own proprietary routing systems, and service bureaus. In such an environment, system enhancements such as the changes proposed in this rule filing do not burden competition, because they can succeed in attracting order flow to the Exchange only if they offer investors higher quality and better value than services offered by others.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (A) significantly affect the protection of investors or the public interest; (B) impose any significant burden on competition; and (C) by its terms, become operative for 30 days from the date on which it was filed or such shorter time as the Commission may designate it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁴ and paragraph (f)(6) of Rule 19b-4 thereunder,¹⁵ the Exchange has designated this rule filing as non-controversial. The Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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.

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4.

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: (1) necessary or appropriate in the public interest; (2) for the protection of investors; or (3) 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 proposal is consistent with the Act.

Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-CboeBZX-2018-026 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 No. SR-CboeBZX-2018-026. 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 website (<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 am and 3:00 pm. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-CboeBZX-2018-026 and should be submitted on or before [_____21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Robert W. Errett
Deputy Secretary

¹⁶ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Note: Proposed new language is underlined. Proposed deletions are enclosed in [brackets].

Rules of Cboe BZX Exchange, Inc.

* * * * *

CHAPTER XXI. TRADING SYSTEMS

* * * * *

Rule 21.9. Order Routing

(a) (No change.)

(1) (No change.)

(2) Routing Options. The System provides a variety of routing options. Routing options may be combined with all available order types and times-in-force, with the exception of order types and times-in-force whose terms are inconsistent with the terms of a particular routing option. The System will consider the quotations only of accessible markets. The term “System routing table” refers to the proprietary process for determining the specific options exchanges to which the System routes orders and the order in which it routes them. The Exchange reserves the right to maintain a different System routing table for different routing options and to modify the System routing table at any time without notice. The System routing options are:

(A) [Parallel D]ROUT. [Parallel D]ROUT is a routing option under which an order checks the System for available contracts and then is sent to destinations on the System routing table. A User may select either Route To Improve (“RTI”) or Route To Fill (“RTF”) for the ROUT routing option. RTI [The System] may route to multiple destinations at a single price level simultaneously [through Parallel D routing.]while RTF may route to multiple destinations and at multiple price levels simultaneously.

(B) [Parallel 2D. Parallel 2D is a routing option under which an order checks the System for available contracts and then is sent to destinations on the System routing table. The System may route to multiple destinations and at multiple price levels simultaneously through Parallel 2D routing.]SWPA. SWPA is a routing option under which an order checks the System for available contracts and then is sent to only Protected Quotations and only for displayed size. To the extent that any

portion of the routed order is unexecuted, the remainder is posted to the BZX Options Book at the order's limit price, unless otherwise instructed by the User.

(C) (No change.)

(D) (No change.)

(3) (No changes.)

(b)-(f) (No changes.)

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