

Required fields are shown with yellow backgrounds and asterisks.

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| Page 1 of * 24 | SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4 | File No.* SR - 2018 - * 058 Amendment No. (req. for Amendments *) 1 |
|----------------|--|--|

Filing by Cboe BZX Exchange, Inc.
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

| | | | | | |
|---------------------------------------|--|--|---|---|---|
| Initial * <input type="checkbox"/> | Amendment * <input checked="" type="checkbox"/> | Withdrawal <input type="checkbox"/> | Section 19(b)(2) * <input checked="" type="checkbox"/> | Section 19(b)(3)(A) * <input type="checkbox"/> | Section 19(b)(3)(B) * <input type="checkbox"/> |
| Pilot <input type="checkbox"/> | Extension of Time Period for Commission Action * <input type="checkbox"/> | Date Expires * <input type="text"/> | Rule <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 type="checkbox"/> 19b-4(f)(6) | | |

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| 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"/> | |

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| 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 *).

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 * Last Name *

Title *

E-mail *

Telephone * Fax

Signature

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

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date Vice President, Associate General Counsel

By

(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.

dickman@cboe.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

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

Add Remove View

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

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

PARTIAL AMENDMENT

Cboe BZX Exchange, Inc. (the “Exchange” or “BZX Options”) submits this Amendment, constituting Amendment No. 1, to rule filing SR-CboeBZX-2018-058 in which the Exchange proposes to permit the listing and trading of options that overlie the Mini-SPX Index (“XSP options”), the Russell 2000 Index (“RUT options”), and the Dow Jones Industrial Average (“DJX options”). The purpose of this Amendment No. 1 is to amend the proposed rule text of Rule 29.11(c)(5)(C) in Exhibit 5 and the related portion of the purpose section of each of the Form 19b-4 and Exhibit 1 regarding the strike price interval for XSP options under the Short Term Option Series Program.

The Exchange proposes to add “is \$0.50” to the end of proposed Rule 29.11(c)(5)(C) on page 93 of Exhibit 5, which was inadvertently omitted in the initial filing. Therefore, the proposed rule text will provide that the lowest strike price interval that may be listed for XSP option series under the Short Term Option Series Program in proposed paragraph (h) is \$0.50.

Similarly, the Exchange proposes to add “is \$0.50” to the end of subparagraph (3) under the subsection “Strike Intervals – XSP Options” in the purpose section on page 11 of Form 19b-4 and on page 54 of Exhibit 1, which was also inadvertently omitted in the initial filing. The proposed rule change deletes in the purpose section the carryover paragraph on pages 13 – 14 and the following paragraph on page 14 of Form 19b-4 and the first full paragraph on page 56 and the following carryover paragraph on pages 56 – 57 of Exhibit 1 and replaces them with the following:

With respect to XSP option series listed under the Short Term Option Series Program, the Exchange believes the proposed \$0.50 strike

intervals will afford traders and investors (particularly retail investors who often trade near-term options) important hedging and trading opportunities. The Exchange believes that not having the proposed \$0.50 strike price for series of near-term XSP options may significantly constrict retail investors' hedging and trading possibilities. As noted above, SPX options trade in \$5.00 strike intervals, which are equivalent to \$0.50 strike intervals in XSP. Additionally, the strike interval for SPY option series not listed under the Short Term Option Series Program is \$1, and the strike interval for SPY option series listed under the Short Term Option Series Program is \$0.50. The proposed rule change will permit consistency of strike intervals of near-term SPY options and XSP options, which are both based, in some manner on the value of the S&P 500 Index. Additionally, the proposed strike intervals for near-term XSP option series will permit strike prices closely aligned with near-term SPX option series.

The Exchange recognizes the proposed approach does not achieve full harmonization between strikes in non-near term XSP option series and SPX option series. For example, if there is a 2715 strike in a standard SPX option series (i.e. a series with an expiration on a third-Friday of the month), the Exchange is not seeking the ability to list a 271.5 strike in an XSP option series with a similar expiration. The Exchange believes being able to list the 271 and 272 strikes in corresponding XSP option series would provide the marketplace with a sufficient number of strike prices

over a range of XSP values.¹⁷ The Exchange believes this proposed rule change would allow investors to better use XSP options to gain exposure to the SPX options market and hedge S&P 500 cash positions in the event that the S&P 500 Index value continues to increase.

The Exchange believes the proposed rule change with respect to strike intervals for near-term XSP options will provide investors (particularly individual and retail investors) with more unity with respect to the strike setting regimes of near-term XSP, SPX, and SPY option series. For example, if near-term XSP options have strike price intervals of \$1.00 or greater, near-term SPX options trade in strike intervals of \$5.00, which is the equivalent of \$0.50 strike price intervals in XSP, and near-term SPY options trade in strike intervals of \$0.50,¹⁸ this disunity creates a situation where certain options trading strategies cannot be executed using options with the same underlying or tracking the same index. For example, an XSP options investor may not be able to roll a position to a higher strike price (equivalent to a strike price listed in SPX), simply because of the strike setting regime differences between the products despite the relative notional values between standard SPX and scaled XSP options. The proposed rule change eliminates this situation by establishing strike interval settings for XSP near-term option series in-line with strike intervals settings of SPX and SPY near-term option series.

¹⁷ Nothing in this rule filing precludes the Exchange from submitting a future rule filing requesting even finer strike price increments for XSP options.

The Exchange believes these permitted strike prices will permit the Exchange to list XSP options with strikes that more closely reflect the current values of the S&P 500 Index, as they provide more flexibility and allow the Exchange to better respond to customer demand for XSP option strike prices that relate to current S&P 500 Index values. In addition, the Exchange believes that because the number of strikes that may be listed would be contained by the percentages above and below the current XSP Index value, there is no need to restrict the use of \$1 strike price intervals based on the amount of the strike price. The Exchange believes this proposed rule change, like other strike price programs, will benefit investors by giving them increased flexibility and the ability to more closely tailor their investment and hedging decisions to their needs.

EXHIBITS

- Exhibit 4. Marked copy of changes to the rule text proposed in an amendment compared against the version of the rule text that was initially filed.
- Exhibit 5. Proposed rule text.

¹⁸ See Rule 19.6, Interpretation and Policy .05(f).

EXHIBIT 4

Additions set forth in the proposed rule text of original SR-CboeBZX-2018-058 are underlined; deletions are [bracketed]. Additions being made pursuant to Amendment No. 1 to SR-CboeBZX-2018-058 are double-underlined.

* * * * *

Rules of Cboe BZX Exchange, Inc.

* * * * *

Rule 20.6. Nullification and Adjustment of Options Transactions including Obvious Errors

The Exchange may nullify a transaction or adjust the execution price of a transaction in accordance with this Rule. However, the determination as to whether a trade was executed at an erroneous price may be made by mutual agreement of the affected parties to a particular transaction. A trade may be nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that such agreement to nullify or adjust must be conveyed to the Exchange in a manner prescribed by the Exchange prior to 8:30 a.m. Eastern Time on the first trading day following the execution. It is considered conduct inconsistent with just and equitable principles of trade for any Member to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.

(a) – (f) No change.

(g) Erroneous Print in Underlying. A trade resulting from an erroneous print(s) disseminated by the underlying market that is later nullified by that underlying market shall be adjusted or busted as set forth in sub-paragraph (c)(4) of this Rule, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. For purposes of this paragraph, a trade resulting from an erroneous print(s) shall mean any options trade executed during a period of time for which one or more executions in the underlying security are nullified and for one second thereafter. If a party believes that it participated in an erroneous transaction resulting from an erroneous print(s) pursuant to this paragraph it must notify the Exchange's Trade Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification by the underlying market(s) of nullification of transactions in the underlying security. If multiple underlying markets nullify trades in the underlying security, the allowed notification timeframe will commence at the time of the first market's notification. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Members via an Exchange Notice. To qualify for consideration

as an “underlying,” the Fund Shares, HOLDERS or index option class and related instrument must be derived from or designed to track the same underlying index.

(h) Erroneous Quote in Underlying. A trade resulting from an erroneous quote(s) in the underlying security shall be adjusted or busted as set forth in sub-paragraph (c)(4) this Rule, provided a party notifies the Exchange’s Trade Desk in a timely manner as set forth below. An erroneous quote occurs when the underlying security has a width of at least \$1.00 and has a width at least five times greater than the average quote width for such underlying security during the time period encompassing two minutes before and after the dissemination of such quote. For purposes of this paragraph, the average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four-minute time period referenced above (excluding the quote(s) in question) and dividing by the number of quotes during such time period (excluding the quote(s) in question). If a party believes that it participated in an erroneous transaction resulting from an erroneous quote(s) pursuant to this paragraph it must notify the Exchange’s Trade Desk in accordance with sub-paragraph (c)(2) above. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDERS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Members via an Exchange Notice. To qualify for consideration as an “underlying,” the Fund Shares, HOLDERS or index option class and related instrument must be derived from or designed to track the same underlying index.

(i) – (l) No change.

Interpretations and Policies

.01 – .03 No change.

* * * * *

Rule 21.5. Minimum Increments

(a) – (c) No change.

Interpretations and Policies

.01 No change.

.02 For so long as SPDR options (SPY) and Diamonds options (DIA) participate in the Penny Pilot Program pursuant to Interpretation and Policy .01, the minimum increments for Mini SPX Index options (XSP) and Dow Jones Industrial Average options (DJX), respectively, will be the same as SPY and DIA, respectively, for all options series (including long-term option series).

* * * * *

Rule 21.7. Market Opening Procedures

(a) Order Entry Period. The Exchange will accept market and limit orders and quotes for inclusion in the opening process (the “Opening Process”) beginning at 7:30 am Eastern Time or immediately upon trading being halted in an option series due to the primary listing market for the applicable underlying security declaring a regulatory trading halt, suspension, or pause with respect to such security (a “Regulatory Halt”), with respect to equity options, and will continue to accept market and limit orders and quotes until such time as the Opening Process is initiated in that option series (the “Order Entry Period”)[, other than index options]. The Exchange will not accept IOC or FOK orders for queuing prior to the completion of the Opening Process. The Exchange will convert all ISOs entered for queuing prior to the completion of the Opening Process into non-ISOs. For equity options, [W]where a User has entered instructions not to cancel its open orders upon a halt pursuant to Rule 20.3(b), such orders will be queued for participation in the Opening Process for a Regulatory Halt or will be cancelled for a halt that is not a Regulatory Halt. Where trading is halted pursuant to Rule 20.3, but it is not due to a Regulatory Halt, there will be no Order Entry Period and trading shall be resumed upon the determination by the Exchange that the conditions which led to the halt are no longer present or that the interests of a fair and orderly market are best served by a resumption of trading. Orders entered during the Order Entry Period will not be eligible for execution until the Opening Process occurs.

(b) Opening Price for Equity Options. After the first transaction on the primary listing market after 9:30 a.m. Eastern Time in the securities underlying the options as reported on the first print disseminated pursuant to an effective national market system plan (“First Listing Market Transaction”) or the Regulatory Halt has been lifted, the related equity option series will be opened automatically as follows:

(1) Determining the Opening Price. The System will determine a single price at which a particular equity option series will be opened (the “Opening Price”) as calculated by the System within 30 seconds of the First Listing Market Transaction or the Regulatory Halt being lifted. Where there are no contracts in a particular series that would execute at any price, the System shall open such options for trading without determining an Opening Price. The Opening Price of a series must be a Valid Price, as determined in subparagraph (b)(2) below, and will be:

(A) – (D) No change.

(2) Validating the Opening Price. For purposes of [this Rule]paragraph (b), a NBBO Midpoint, a Print, and a Previous Close will be at a Valid Price:

(A) – (C) No change.

[(3) Performing the Opening Process. After establishing an Opening Price that is also a Valid Price, orders and quotes in the System that are priced equal to or more aggressively than the Opening Price will be matched based on time priority. Matches will occur until there is no remaining volume or there is an imbalance of orders. All

orders and quotes or portions thereof that are matched pursuant to the Opening Process will be executed at the Opening Price. An imbalance of orders on the buy side or sell side may result in orders that are not executed in whole or in part. Such orders will be handled in time sequence, beginning with the order with the oldest time stamp and may, in whole or in part, be placed on the BZX Options Book, cancelled, executed, or routed in accordance with Rule 21.9.

(4) Contingent Open. Orders that are not executed during the Opening Process because trading in a series is going to be opened for trading pursuant to paragraph (1)(D) above will be handled in time sequence, beginning with the order with the oldest time stamp and may, in whole or in part, be placed on the BZX Options Book, cancelled, executed, or routed in accordance with Rule 21.9.]

([b]c) Opening Price for Index Options. After an away options exchange(s) disseminates a quote in an index option series, [With respect to index options, the System shall open such options for trading at 9:30 a.m. Eastern Time. Where trading in index options is halted for any reason, the System shall open such options for trading upon]or after the determination by the Exchange that the conditions which led to [the]a halt in trading in index options are no longer present or that the interests of a fair and orderly market are best served by a resumption of trading, the related index option series will be opened automatically as follows:[.]

(1) Determining the Opening Price. The System determines an Opening Price for a particular index option series within 30 seconds of an away options exchange(s) disseminating a quote in a series. Following an away options exchange's dissemination of a quote in a series, if there are no contracts in a particular series that would execute at any price, the System opens the series for trading without determining an Opening Price. The Opening Price, if valid pursuant to subparagraph (c)(2), of a series will be the NBBO Midpoint. If the NBBO Midpoint is not valid, the Exchange in its discretion may extend the Order Entry Period by up to 30 seconds or open the series for trading.

(2) Validating the Opening Price. For purposes of paragraph (c), the NBBO Midpoint is a valid price if it is no more than the Minimum Amount set forth in the table in subparagraph (b)(2)(C) away from the NBB or NBO for the series.

(d) Opening Trades. After establishing an Opening Price that is also a Valid Price, the System matches (in accordance with Rule 21.8) orders and quotes in the System that are priced equal to or more aggressively than the Opening Price. Matches occur until there is no remaining volume or an imbalance of orders. All orders and quotes (or unexecuted portions) matched during the Opening Process execute at the Opening Price. The System enters any non-executed orders and quotes (or unexecuted portions) into the BZX Options Book, where they may be processed in accordance with Rule 21.9. The System cancels any OPG orders (or unexecuted portions) that do not execute during the Opening Process.

(e) Contingent Open. If the Exchange opens a series for trading pursuant to paragraph (b)(1)(D) or (c)(1) above, the System enters non-executed orders and quotes (or unexecuted portions) into the BZX Options Book in time sequence, where they may be processed in accordance with Rule 21.9.

[(c)f] The Exchange may deviate from the standard manner of the Opening Process, including adjusting the timing of the Opening Process in any option class, when it believes it is necessary in the interests of a fair and orderly market.

* * * * *

Rule 29.2. Definitions

(a) – (o) No change.

Interpretations and Policies

.01 The reporting authorities designated by the Exchange in respect of each index underlying an index options contract traded on the Exchange are as provided below.

| Index | Reporting Authority |
|-------------------------------------|----------------------------------|
| <u>Mini-SPX Index</u> | <u>S&P Dow Jones Indices</u> |
| <u>Russell 2000 Index</u> | <u>Frank Russell Company</u> |
| <u>Dow Jones Industrial Average</u> | <u>S&P Dow Jones Indices</u> |

[(Reserved)]

* * * * *

Rule 29.10. Trading Sessions

(a) No change.

(b) Instituting Halts and Suspensions.

[Trading on BZX Options in any index option shall be halted or suspended whenever trading in underlying securities whose weighted value represents more than twenty percent (20%), in the case of a broad based index, and ten percent (10%) for all other indices, of the index value is halted or suspended.] The Exchange also may halt trading in an index option when, in [his or her]its judgment, such action is appropriate in the interests of a fair and orderly market and to protect investors. Among the facts that may be considered are the following:

(1) [whether all trading has been halted or suspended in the market that is the primary market for a plurality of the underlying stocks]the extent to which trading is not occurring in the stocks or options underlying the index;

(2) – (4) No change.

(c) – (f) No change.

Rule 29.11. Terms of Index Options Contracts

(a) General.

(1) – (3) No change.

(4) “European-Style Exercise.” The following European-style index options, some of which may be A.M.-settled as provided in paragraph (a)(5), are approved for trading on BZX Options:

(A) – (B) No change.

(C) Mini-SPX Index

(D) Russell 2000 Index

(E) Dow Jones Industrial Average

(5) A.M.-Settled Index Options. The last day of trading for A.M.-settled index options shall be the business day preceding the last day of trading in the underlying securities prior to expiration. The current index value at the expiration of an A.M.-settled index option shall be determined, for all purposes under these Rules and the Rules of the Clearing Corporation, on the last day of trading in the underlying securities prior to expiration, by reference to the reported level of such index as derived from first reported sale (opening) prices of the underlying securities on such day, except that:

(A) No change.

(B) In the event that the primary market for an underlying security is open for trading on that day, but that particular security does not open for trading on that day, the price of that security, for the purposes of calculating the current index value at expiration, shall be the last reported sale price of the security. The following A.M.-settled index options are approved for trading on BZX Options:

(i) – (ii) No change.

(iii) Mini-SPX Index

(iv) Russell 2000 Index

(v) Dow Jones Industrial Average

(b) Long-Term Index Options Series.

(1) Notwithstanding the provisions of paragraph (a)(3), above, BZX Options may list long-term index options series that expire from twelve (12) to [sixty (60)]one-hundred eighty (180) months from the date of issuance.

(A) Index long term options series may be based on either the full or reduced value of the underlying index. There may be up to ten (10) expiration months, none further out than [sixty (60)]one-hundred eighty (180) months. [Strike price interval, bid/ask differential and continuity Rules shall not apply to such options series until the time to expiration is less than twelve (12) months.]

(B) No change.

(2) Reduced-Value Long Term Options Series.

(A) Reduced-value long term options series [may be approved for trading on Specified (as provided in Rule 29.1)]on the following indices are approved for trading on the Exchange:[.]

(i) Russell 2000 Index.

(B) No change.

(c) Procedures for Adding and Deleting Strike Prices. The procedures for adding and deleting strike prices for index options are provided in Rule 19.6 (Series of Options Contracts Open for Trading), as amended by the following:

(1) The interval between strike prices will be no less than \$5.00[.]; provided, that in the case of the following classes of index options, the interval between the strike prices will be no less than \$2.50:

(A) Russell 2000 Index, if the strike price is less than \$200.00.

(B) Reduced-value long term option series.

(2) – (4) No change.

(5) Notwithstanding the above, the strike prices for new and additional series of XSP options will be listed subject to the following:

(A) if the current value of the Mini-SPX Index is less than or equal to 20, the Exchange will not list XSP option series with a strike price of more than 100% above or below the current value of the Mini-SPX Index;

(B) if the current value of the Mini-SPX Index is greater than 20, the Exchange will not list XSP option series with a strike price of more than 50% above or below the current value of the Mini-SPX Index; and

(C) the lowest strike price interval that may be listed for standard XSP option series is \$1, including for long-term option series, and the lowest strike price interval that may be listed for XSP option series under the Short Term Option Series Program in paragraph (h) below is \$0.50.

(6) Notwithstanding the above, the interval between strike prices may be no less than \$0.50 for DJX options, including for series listed under the Short Term Option Series Program in paragraph (h) below.

(d) – (h) No change.

(i) Notwithstanding the requirements in this Rule 29.11, the Exchange may list additional expiration months on option classes opened for trading on the Exchange if such expiration months are opened for trading on at least one other registered national securities exchange.

Interpretations and Policies:

.01 Index Value of Mini-SPX Index. The current index value of XSP options will be 1/10th the value of the Standard & Poor's 500 Stock Index reported by the reporting authority.

* * * * *

Rule 29.13. Disclaimers

(a) No change.

(b) Disclaimer.

No reporting authority, and no affiliate of a reporting authority (each such reporting authority, its affiliates, and any other entity identified in this Rule are referred to collectively as a "Reporting Authority"), makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of an index it publishes, any opening, intraday or closing value therefore, or any data included therein or relating thereto, in connection with the trading of any options contract based thereon or for any other purpose. The

Reporting Authority shall obtain information for inclusion in, or for use in the calculation of, such index from sources it believes to be reliable, but the Reporting Authority does not guarantee the accuracy or completeness of such index, any opening, intra-day or closing value therefore, or any date included therein or related thereto. The Reporting Authority hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to such index, any opening, intra-day, or closing value therefore, any data included therein or relating thereto, or any options contract based thereon. The Reporting Authority shall have no liability for any damages, claims, losses (including any indirect or consequential losses), expenses, or delays, whether direct or indirect, foreseen or unforeseen, suffered by any person arising out of any circumstance or occurrence relating to the person's use of such index, any opening, intra-day or closing value therefore, any data included therein or relating thereto, or any options contract based thereon, or arising out of any errors or delays in calculating or disseminating such index. The foregoing disclaimers shall apply to S&P Dow Jones Indices LLC, a division of S&P Global ("S&P") in respect to the Mini-SPX Index and Dow Jones Industrial Average, and Frank Russell Company in respect to the Russell 2000 Index; to the foregoing Reporting Authorities in respect to any other indexes for which they act as the designated Reporting Authority; and to any other Reporting Authority in respect to any index for which it acts as such.

* * * * *

Rule 29.15. Restrictions on Contracts

Contracts provided for in this Chapter 29 will not be subject to the restriction in Rule 18.12(b).

* * * * *

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe BZX Exchange, Inc.

* * * * *

Rule 20.6. Nullification and Adjustment of Options Transactions including Obvious Errors

The Exchange may nullify a transaction or adjust the execution price of a transaction in accordance with this Rule. However, the determination as to whether a trade was executed at an erroneous price may be made by mutual agreement of the affected parties to a particular transaction. A trade may be nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that such agreement to nullify or adjust must be conveyed to the Exchange in a manner prescribed by the Exchange prior to 8:30 a.m. Eastern Time on the first trading day following the execution. It is considered conduct inconsistent with just and equitable principles of trade for any Member to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.

(a) – (f) No change.

(g) Erroneous Print in Underlying. A trade resulting from an erroneous print(s) disseminated by the underlying market that is later nullified by that underlying market shall be adjusted or busted as set forth in sub-paragraph (c)(4) of this Rule, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. For purposes of this paragraph, a trade resulting from an erroneous print(s) shall mean any options trade executed during a period of time for which one or more executions in the underlying security are nullified and for one second thereafter. If a party believes that it participated in an erroneous transaction resulting from an erroneous print(s) pursuant to this paragraph it must notify the Exchange's Trade Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification by the underlying market(s) of nullification of transactions in the underlying security. If multiple underlying markets nullify trades in the underlying security, the allowed notification timeframe will commence at the time of the first market's notification. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Members via an Exchange Notice. To qualify for consideration as an "underlying," the Fund Shares, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index.

(h) **Erroneous Quote in Underlying.** A trade resulting from an erroneous quote(s) in the underlying security shall be adjusted or busted as set forth in sub-paragraph (c)(4) this Rule, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. An erroneous quote occurs when the underlying security has a width of at least \$1.00 and has a width at least five times greater than the average quote width for such underlying security during the time period encompassing two minutes before and after the dissemination of such quote. For purposes of this paragraph, the average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four-minute time period referenced above (excluding the quote(s) in question) and dividing by the number of quotes during such time period (excluding the quote(s) in question). If a party believes that it participated in an erroneous transaction resulting from an erroneous quote(s) pursuant to this paragraph it must notify the Exchange's Trade Desk in accordance with sub-paragraph (c)(2) above. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDERS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Members via an Exchange Notice. To qualify for consideration as an "underlying," the Fund Shares, HOLDERS or index option class and related instrument must be derived from or designed to track the same underlying index.

(i) – (l) No change.

Interpretations and Policies

.01 – .03 No change.

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Rule 21.5. Minimum Increments

(a) – (c) No change.

Interpretations and Policies

.01 No change.

.02 For so long as SPDR options (SPY) and Diamonds options (DIA) participate in the Penny Pilot Program pursuant to Interpretation and Policy .01, the minimum increments for Mini SPX Index options (XSP) and Dow Jones Industrial Average options (DJX), respectively, will be the same as SPY and DIA, respectively, for all options series (including long-term option series).

* * * * *

Rule 21.7. Market Opening Procedures

(a) Order Entry Period. The Exchange will accept market and limit orders and quotes for inclusion in the opening process (the “Opening Process”) beginning at 7:30 am Eastern Time or immediately upon trading being halted in an option series due to the primary listing market for the applicable underlying security declaring a regulatory trading halt, suspension, or pause with respect to such security (a “Regulatory Halt”), with respect to equity options, and will continue to accept market and limit orders and quotes until such time as the Opening Process is initiated in that option series (the “Order Entry Period”)[, other than index options]. The Exchange will not accept IOC or FOK orders for queuing prior to the completion of the Opening Process. The Exchange will convert all ISOs entered for queuing prior to the completion of the Opening Process into non-ISOs. For equity options, [W]where a User has entered instructions not to cancel its open orders upon a halt pursuant to Rule 20.3(b), such orders will be queued for participation in the Opening Process for a Regulatory Halt or will be cancelled for a halt that is not a Regulatory Halt. Where trading is halted pursuant to Rule 20.3, but it is not due to a Regulatory Halt, there will be no Order Entry Period and trading shall be resumed upon the determination by the Exchange that the conditions which led to the halt are no longer present or that the interests of a fair and orderly market are best served by a resumption of trading. Orders entered during the Order Entry Period will not be eligible for execution until the Opening Process occurs.

(b) Opening Price for Equity Options. After the first transaction on the primary listing market after 9:30 a.m. Eastern Time in the securities underlying the options as reported on the first print disseminated pursuant to an effective national market system plan (“First Listing Market Transaction”) or the Regulatory Halt has been lifted, the related equity option series will be opened automatically as follows:

(1) Determining the Opening Price. The System will determine a single price at which a particular equity option series will be opened (the “Opening Price”) as calculated by the System within 30 seconds of the First Listing Market Transaction or the Regulatory Halt being lifted. Where there are no contracts in a particular series that would execute at any price, the System shall open such options for trading without determining an Opening Price. The Opening Price of a series must be a Valid Price, as determined in subparagraph (b)(2) below, and will be:

(A) – (D) No change.

(2) Validating the Opening Price. For purposes of [this Rule]paragraph (b), a NBBO Midpoint, a Print, and a Previous Close will be at a Valid Price:

(A) – (C) No change.

[(3) Performing the Opening Process. After establishing an Opening Price that is also a Valid Price, orders and quotes in the System that are priced equal to or more aggressively than the Opening Price will be matched based on time priority. Matches will occur until there is no remaining volume or there is an imbalance of orders. All orders and quotes or portions thereof that are matched pursuant to the Opening Process will be executed at the Opening Price. An imbalance of orders on the buy

side or sell side may result in orders that are not executed in whole or in part. Such orders will be handled in time sequence, beginning with the order with the oldest time stamp and may, in whole or in part, be placed on the BZX Options Book, cancelled, executed, or routed in accordance with Rule 21.9.

(4) Contingent Open. Orders that are not executed during the Opening Process because trading in a series is going to be opened for trading pursuant to paragraph (1)(D) above will be handled in time sequence, beginning with the order with the oldest time stamp and may, in whole or in part, be placed on the BZX Options Book, cancelled, executed, or routed in accordance with Rule 21.9.]

(b)(c) Opening Price for Index Options. After an away options exchange(s) disseminates a quote in an index option series, [With respect to index options, the System shall open such options for trading at 9:30 a.m. Eastern Time. Where trading in index options is halted for any reason, the System shall open such options for trading upon]or after the determination by the Exchange that the conditions which led to [the]a halt in trading in index options are no longer present or that the interests of a fair and orderly market are best served by a resumption of trading, the related index option series will be opened automatically as follows:[.]

(1) Determining the Opening Price. The System determines an Opening Price for a particular index option series within 30 seconds of an away options exchange(s) disseminating a quote in a series. Following an away options exchange's dissemination of a quote in a series, if there are no contracts in a particular series that would execute at any price, the System opens the series for trading without determining an Opening Price. The Opening Price, if valid pursuant to subparagraph (c)(2), of a series will be the NBBO Midpoint. If the NBBO Midpoint is not valid, the Exchange in its discretion may extend the Order Entry Period by up to 30 seconds or open the series for trading.

(2) Validating the Opening Price. For purposes of paragraph (c), the NBBO Midpoint is a valid price if it is no more than the Minimum Amount set forth in the table in subparagraph (b)(2)(C) away from the NBB or NBO for the series.

(d) Opening Trades. After establishing an Opening Price that is also a Valid Price, the System matches (in accordance with Rule 21.8) orders and quotes in the System that are priced equal to or more aggressively than the Opening Price. Matches occur until there is no remaining volume or an imbalance of orders. All orders and quotes (or unexecuted portions) matched during the Opening Process execute at the Opening Price. The System enters any non-executed orders and quotes (or unexecuted portions) into the BZX Options Book, where they may be processed in accordance with Rule 21.9. The System cancels any OPG orders (or unexecuted portions) that do not execute during the Opening Process.

(e) Contingent Open. If the Exchange opens a series for trading pursuant to paragraph (b)(1)(D) or (c)(1) above, the System enters non-executed orders and quotes (or unexecuted

portions) into the BZX Options Book in time sequence, where they may be processed in accordance with Rule 21.9.

[(c)f] The Exchange may deviate from the standard manner of the Opening Process, including adjusting the timing of the Opening Process in any option class, when it believes it is necessary in the interests of a fair and orderly market.

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Rule 29.2. Definitions

(a) – (o) No change.

Interpretations and Policies

.01 The reporting authorities designated by the Exchange in respect of each index underlying an index options contract traded on the Exchange are as provided below.

| Index | Reporting Authority |
|-------------------------------------|----------------------------------|
| <u>Mini-SPX Index</u> | <u>S&P Dow Jones Indices</u> |
| <u>Russell 2000 Index</u> | <u>Frank Russell Company</u> |
| <u>Dow Jones Industrial Average</u> | <u>S&P Dow Jones Indices</u> |

[(Reserved)]

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Rule 29.10. Trading Sessions

(a) No change.

(b) Instituting Halts and Suspensions.

[Trading on BZX Options in any index option shall be halted or suspended whenever trading in underlying securities whose weighted value represents more than twenty percent (20%), in the case of a broad based index, and ten percent (10%) for all other indices, of the index value is halted or suspended.] The Exchange also may halt trading in an index option when, in [his or her]its judgment, such action is appropriate in the interests of a fair and orderly market and to protect investors. Among the facts that may be considered are the following:

(1) [whether all trading has been halted or suspended in the market that is the primary market for a plurality of the underlying stocks] the extent to which trading is not occurring in the stocks or options underlying the index;

(2) – (4) No change.

(c) – (f) No change.

Rule 29.11. Terms of Index Options Contracts

(a) General.

(1) – (3) No change.

(4) “European-Style Exercise.” The following European-style index options, some of which may be A.M.-settled as provided in paragraph (a)(5), are approved for trading on BZX Options:

(A) – (B) No change.

(C) Mini-SPX Index

(D) Russell 2000 Index

(E) Dow Jones Industrial Average

(5) A.M.-Settled Index Options. The last day of trading for A.M.-settled index options shall be the business day preceding the last day of trading in the underlying securities prior to expiration. The current index value at the expiration of an A.M.-settled index option shall be determined, for all purposes under these Rules and the Rules of the Clearing Corporation, on the last day of trading in the underlying securities prior to expiration, by reference to the reported level of such index as derived from first reported sale (opening) prices of the underlying securities on such day, except that:

(A) No change.

(B) In the event that the primary market for an underlying security is open for trading on that day, but that particular security does not open for trading on that day, the price of that security, for the purposes of calculating the current index value at expiration, shall be the last reported sale price of the security. The following A.M.-settled index options are approved for trading on BZX Options:

(i) – (ii) No change.

(iii) Mini-SPX Index

(iv) Russell 2000 Index

(v) Dow Jones Industrial Average

(b) Long-Term Index Options Series.

(1) Notwithstanding the provisions of paragraph (a)(3), above, BZX Options may list long-term index options series that expire from twelve (12) to [sixty (60)]one-hundred eighty (180) months from the date of issuance.

(A) Index long term options series may be based on either the full or reduced value of the underlying index. There may be up to ten (10) expiration months, none further out than [sixty (60)]one-hundred eighty (180) months. [Strike price interval, bid/ask differential and continuity Rules shall not apply to such options series until the time to expiration is less than twelve (12) months.]

(B) No change.

(2) Reduced-Value Long Term Options Series.

(A) Reduced-value long term options series [may be approved for trading on Specified (as provided in Rule 29.1)]on the following indices are approved for trading on the Exchange:[.]

(i) Russell 2000 Index.

(B) No change.

(c) Procedures for Adding and Deleting Strike Prices. The procedures for adding and deleting strike prices for index options are provided in Rule 19.6 (Series of Options Contracts Open for Trading), as amended by the following:

(1) The interval between strike prices will be no less than \$5.00[.]; provided, that in the case of the following classes of index options, the interval between the strike prices will be no less than \$2.50:

(A) Russell 2000 Index, if the strike price is less than \$200.00.

(B) Reduced-value long term option series.

(2) – (4) No change.

(5) Notwithstanding the above, the strike prices for new and additional series of XSP options will be listed subject to the following:

(A) if the current value of the Mini-SPX Index is less than or equal to 20, the Exchange will not list XSP option series with a strike price of more than 100% above or below the current value of the Mini-SPX Index;

(B) if the current value of the Mini-SPX Index is greater than 20, the Exchange will not list XSP option series with a strike price of more than 50% above or below the current value of the Mini-SPX Index; and

(C) the lowest strike price interval that may be listed for standard XSP option series is \$1, including for long-term option series, and the lowest strike price interval that may be listed for XSP option series under the Short Term Option Series Program in paragraph (h) below is \$0.50.

(6) Notwithstanding the above, the interval between strike prices may be no less than \$0.50 for DJX options, including for series listed under the Short Term Option Series Program in paragraph (h) below.

(d) – (h) No change.

(i) Notwithstanding the requirements in this Rule 29.11, the Exchange may list additional expiration months on option classes opened for trading on the Exchange if such expiration months are opened for trading on at least one other registered national securities exchange.

Interpretations and Policies:

.01 Index Value of Mini-SPX Index. The current index value of XSP options will be 1/10th the value of the Standard & Poor's 500 Stock Index reported by the reporting authority.

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Rule 29.13. Disclaimers

(a) No change.

(b) Disclaimer.

No reporting authority, and no affiliate of a reporting authority (each such reporting authority, its affiliates, and any other entity identified in this Rule are referred to collectively as a "Reporting Authority"), makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of an index it publishes, any opening, intraday or closing value therefore, or any data included therein or relating thereto, in connection with the trading of any options contract based thereon or for any other purpose. The

Reporting Authority shall obtain information for inclusion in, or for use in the calculation of, such index from sources it believes to be reliable, but the Reporting Authority does not guarantee the accuracy or completeness of such index, any opening, intra-day or closing value therefore, or any date included therein or related thereto. The Reporting Authority hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to such index, any opening, intra-day, or closing value therefore, any data included therein or relating thereto, or any options contract based thereon. The Reporting Authority shall have no liability for any damages, claims, losses (including any indirect or consequential losses), expenses, or delays, whether direct or indirect, foreseen or unforeseen, suffered by any person arising out of any circumstance or occurrence relating to the person's use of such index, any opening, intra-day or closing value therefore, any data included therein or relating thereto, or any options contract based thereon, or arising out of any errors or delays in calculating or disseminating such index. The foregoing disclaimers shall apply to S&P Dow Jones Indices LLC, a division of S&P Global ("S&P") in respect to the Mini-SPX Index and Dow Jones Industrial Average, and Frank Russell Company in respect to the Russell 2000 Index; to the foregoing Reporting Authorities in respect to any other indexes for which they act as the designated Reporting Authority; and to any other Reporting Authority in respect to any index for which it acts as such.

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Rule 29.15. Restrictions on Contracts

Contracts provided for in this Chapter 29 will not be subject to the restriction in Rule 18.12(b).

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