

Cboe LMP Program

The Cboe Liquidity Management Provider (LMP) Program is a rewards-based program that incentivizes liquidity providers to make a better market in ETFs. Incentives are based on an LMP's quote quality in the Cboe LMP Securities. These securities include all Cboe-listed ETPs and certain non-Cboe-listed ETPs.

Liquidity providers must **enroll** to be an LMP for eligible ETPs. All Members are eligible to enroll in the Cboe ETP Securities, and there is no limit to the number of LMP Securities in which a Member may enroll. There is also no limit to the number LMPs in each Cboe LMP Security.

LMPs must meet the following quoting standards for the LMP Securities in which they are enrolled. However, LMPs do not need to register as Market Makers on Cboe, and do not have an auction participation requirement.

Quoting Standards

1. NBBO Time¹ is at least 15% or NBBO Size Time² is at least 25%; and
2. Displayed Size Time³ is at least 90%

Cboe also offers an LMP Tape B Quoting Tier to reward LMPs meeting the quoting standards for at least 50 BZX-Listed securities. LMPs will receive the following additional rebate when adding displayed liquidity in all Tape B securities.

Tiers	Incremental Tape B Rebate
<p>LMP Tape B Volume and Quoting Tier 1:</p> <ol style="list-style-type: none"> 1. Member is enrolled in at least 50 BZX-Listed LMP Securities, for which it meets the quoting standards for at least 50% of the trading days in the applicable month 2. Member adds a Tape B ADV \geq 0.15% of the TCV 	(\$0.0001)
<p>LMP Tape B Volume and Quoting Tier 2:</p> <ol style="list-style-type: none"> 1. Member is enrolled in at least 100 BZX-Listed LMP Securities, for which it meets the quoting standards for at least 50% of the trading days in the applicable month 2. Member adds a Tape B ADV \geq 0.30% of the TCV 	(\$0.0002)

A Member that qualifies for a rebate of \$(0.0031) when adding displayed liquidity in all Tapes, and also achieves the LMP Tape B Quoting Tier, for example, would receive a total rebate of \$(0.0032) when adding displayed liquidity in Tape B securities.

1 NBBO Time means the percentage of time during regular trading hours during which a Member maintains at least 100 shares at the NBBO.

2 NBBO Size Time means the percentage of time during regular trading hours during which there are size-setting quotes at the NBBO on the Exchange. A quote is a size-setting quote where it is the largest quote at the NBB or NBO and remains a size-setting quote until and unless another quote is at a more aggressive price or at the same price with greater size.

3 Displayed Size Time means the percentage of time during regular trading hours during which a Member maintains at least 2,500 displayed shares on both the bid and offer that is priced no more than 2% away from the NBB and NBO, respectively.

Enrollment

Once **enrolled**, a firm may register to become an LMP in desired symbols using the Liquidity Management Provider symbol upload tool available via the **Cboe Customer Web Portal**. This tool functions similarly to the existing Market Maker registration tool. Users can request access to the tool through the Cboe Trade Desk (tradedesk@cboe.com, 913.815.7001). Registrations must be input prior to 9 a.m. ET on the effective date for the registration.

LMP Securities

Visit the **LMP Securities Page** on ETFMarketplace.com for a complete list of securities in the LMP program, including LMPs on the ETP and issuing company.

General

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