



Cboe Options Exchange MRUT LMM Incentive Program

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LMM Incentive Program Application

Cboe Options (the “Exchange”) will be accepting applications from interested Trading Permit Holders (TPHs) for the Lead Market-Maker (LMM) role in the Regular Trading Hours (RTH) session for Mini-Russell 2000 Index options for purposes of the RTH MRUT LMM Incentive Program (“Program”).

Interested parties must submit application materials to become the MRUT RTH LMM **no later than 4:00 p.m. ET on Tuesday, January 27, 2026**, to Cboe Membership Services. The application link can be found [here](#). Please contact Cboe Membership Services at membershipservices@cboe.com with any application questions.

LMM Incentive Program Details

The Exchange intends to select one candidate to serve as the RTH LMM for MRUT from **February 1, 2026 through March 31, 2026**, taking into consideration various factors including those set forth in [Cboe Options Rule 3.55](#).

As any Market-Maker, an LMM appointed to the Program has a regulatory obligation to maintain continuous two-sided quotes in 60% of the series with 270 days or less to expiration in its appointed products for at least 90% of the time it is quoting during all trading sessions (to be measured across all of its class appointments collectively) and satisfy all other Market-Maker obligations set forth in Cboe Options Rule 5.51.

The MRUT RTH LMM Incentive Program, set forth within the Cboe Options Fees Schedule, provides that a MRUT RTH LMM that meets or exceeds the following heightened quoting standards in a month will receive a compensation payment for that month in the amount of \$5,000 (subject to change and announced by Exchange Notice/Fees Schedule, *subject to regulatory review*). To receive the monthly payments, 90% of the series must have qualifying post-opening-rotation quotes from the appointed LMM 88% of the time between 9:30 a.m. ET until 4:00 p.m. ET. Cboe Options notes that meeting or exceeding the heightened quoting standards to receive a compensation payment as described above is optional for a MRUT RTH LMM. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. A

“qualifying” quote is one that is no wider than the amount set forth in the table below, and such quotes will qualify only after the series is open (i.e., pre-opening quotes do not count).

MRUT LMM Heightened Width Requirements				
Premium	Expiring (14 days or less)	Near Term (15 days to 60 days)	Mid Term (61 days to 270 days)	Long Term (271 days or Greater)
\$0 - \$1.00	0.08	0.10	0.15	0.80
\$1.01 - \$3.00	0.14	0.14	0.15	0.85
\$3.01 - \$5.00	0.14	0.16	0.20	1.00
\$5.01 - \$10.00	0.45	0.18	0.35	1.25
\$10.01 - \$25.00	1.25	0.55	0.50	2.25
\$25.01 - \$100.00	3.00	2.00	1.75	4.00
Greater Than \$100.00	8.00	8.00	8.00	8.00

MRUT LMM Heightened Size Requirements				
Premium	Expiring (14 days or less)	Near Term (15 days to 60 days)	Mid Term (61 days to 270 days)	Long Term (271 days or Greater)
\$0 - \$1.00	10	10	10	10
\$1.01 - \$3.00	10	10	10	10
\$3.01 - \$5.00	10	10	10	10
\$5.01 - \$10.00	5	10	10	10
\$10.01 - \$25.00	1	1	5	1
\$25.01 - \$100.00	1	1	1	1
Greater Than \$100.00	1	1	1	1

In calculating whether an LMM meets the heightened quoting standard, the Exchange will exclude from the calculation each month the business day in which the LMM missed the heightened quoting standard in the most amount of series.

As pre-open quotes do not count towards the heightened quoting standard, the LMM should be aware that the system will not allow a series to open unless the composite market (i.e., the BBO comprised of appointed Market-Maker quotes in MRUT) is no wider than the MCW/OCW widths defined in Cboe Options Rule 5.31(a) and presented in the below table, unless there are no orders to trade or limit orders that cross the mid-point of the composite market:

Composite Market Bid Price	Max Composite Width
\$0.00 - \$1.99	0.50
\$2.00 - \$5.00	0.80
\$5.01 - \$10.00	1.00
\$10.01 - \$20.00	2.00
\$20.01 - \$50.00	3.00
\$50.01 - \$100.00	5.00
\$100.01 - \$200.00	8.00
Greater than \$200.00	12.00

Support

Questions may be directed as follows:

- Questions about this topic may be directed to the [Market Structure and Functionality Group](#).
- Operational questions may be directed to [Cboe Operations Support Center](#).
- Regulatory questions may be directed to the [Regulatory Interpretations and Guidance Team](#).