



Regulatory Circular 26-009

Date: May 5, 2026

Exchanges: Cboe Options, C2 Options, BZX Options and EDGX Options

Markets: Options

To: Trading Permit Holders and Members

Re: New Methodology for Assessment and Collection of the Options Regulatory Fee (“ORF”)

Effective July 1, 2026, each Cboe Options Exchange will adopt a new methodology for assessment and collection of its respective Options Regulatory Fee (“ORF”) for transactions that occur on the respective Cboe Options Exchange (“On-Exchange ORF”).¹

Under the prior methodology, the Cboe Options Exchanges assessed an ORF to each Clearing Trading Permit Holder/Member (“CTPH/M”) for options transactions that were cleared by the CTPH/M at OCC in the Customer range,² regardless of the exchange on which the transaction occurred. That meant a firm would pay the ORF to the Exchange even when the transaction took place on a different exchange.

The new model changes *how* the ORF is assessed and collected. The new On-Exchange ORF will apply **only to options trades that actually occur on the respective Cboe Options Exchange**. This new approach is simpler and more narrowly tailors the fee to products and transactions with a direct connection to the respective Cboe Options Exchange. Please see the attached FAQs for more detailed information.

We understand that all other U.S. options exchanges charging ORFs have filed to modify their current methodologies for assessing and collecting ORFs to limit the fee to transactions occurring on their respective exchanges.³

¹ Please refer to the filings for further details. See Release Nos. [34-104417](#) (December 17, 2025) ([SR-CBOE-2025-086](#)); [34-104395](#) (December 15, 2025) ([SR-C2-2025-027](#)); [34-104403](#) (December 15, 2025) ([SR-CboeBZX-2025-157](#)); and [34-104404](#) (December 15, 2025) ([SR-CboeEDGX-2025-084](#)).

² Transactions that clear in the Customer range at OCC include executions for the account of Public Customers, including Professionals, and Broker-Dealers including Foreign Broker-Dealers. Executions for the account of an OCC clearing member firm proprietary account, joint back office account clearing in the Firm range, or account of a market maker clearing in the Market Maker range are not charged an ORF.

³ Please refer to the respective exchange and its filings for further details. See Release Nos. [34-104984](#) (March 12, 2026) (SR-BOX-2026-05); [34-104745](#) (January 29, 2026) (SR-MEMX-2026-02); [34-104707](#) (January 28, 2026) (SR-MIAX-2026-01); [34-104709](#) (January 28, 2026) (SR-EMERALD-2026-01); [34-104711](#) (January 28, 2026) (SR-PEARL-2026-01); [34-104713](#) (January 28, 2026) (SR-SAPPHIRE-2026-01); [34-103617](#) (August 1, 2025) (SR-GEMX-2025-17); [34-104521](#) (December 29, 2025) (SR-GEMX-2025-036) (delaying implementation until 7/1/2026); [34-103558](#) (July 28, 2025) (SR-ISE-2025-20); [34-104520](#) (December 29, 2025) (SR-ISE-2025-42) (delaying implementation until 7/1/2026); [34-103103](#) (May 22, 2025) (SR-MRX-2025-11); [34-104522](#) (December 29, 2025) (SR-MRX-2025-33) (delaying implementation until 7/1/2026); [34-103620](#) (August 1, 2025) (SR-Phlx-2025-30); [34-104515](#) (December 29, 2025) (SR-Phlx-2025-77) (delaying implementation until 7/1/2026); [34-103619](#) (August 1, 2025) (SR-NASDAQ-

Additional Information

For additional information, see Rule Filings SR-CBOE-2025-086, SR-C2-2025-027, SR-CboeBZX-2025-157, and SR-CboeEDGX-2025-084.

For any questions, please contact Regulatory Interpretations at reginterps@cboe.com or 312.786.8141.

2025-054); [34-104519](#) (December 29, 2025) (SR-NASDAQ-2025-108) (delaying implementation until 7/1/2026); [34-103559](#) (July 28, 2025) (SR-BX-2025-012) (Nasdaq BX, Inc. has changed its legal name to Nasdaq Texas, LLC); [34-104518](#) (December 29, 2025) (SR-BX-2025-035) (delaying implementation until 7/1/2026); [34-105070](#) (March 24, 2026) (SR-NYSEARCA-2026-30); and [34-105071](#) (March 24, 2026) (SR-NYSEAMER-2026-22).

ORF/On-Exchange ORF Frequently Asked Questions (FAQs)

The following apply to each Cboe Options Exchange (“Exchange”)

Question 1: What is ORF?

The Options Regulatory Fee (“ORF”) is a transaction-based fee designed to recover a portion of the Exchange's costs for supervising and regulating Trading Permit Holder (“TPH”)/Member customer options business. This includes routine surveillances, investigations, examinations, financial monitoring, policy, rulemaking, interpretive, and enforcement activities. ORF revenue is strictly used for regulatory purposes by the Exchange.

Question 2: For what transactions is the ORF assessed under the old model?

Under the old model, the ORF is assessed by the Exchange to each Clearing Trading Permit Holder/Member (“CTPH/M”) for options transactions cleared by the CTPH/M at OCC in the Customer range, regardless of the exchange on which the transaction occurs. In other words, under the old model, the Exchange imposes the ORF on all Customer-range transactions cleared by a CTPH/M, even if the transaction does not take place on the Exchange.

Question 3: Generally speaking, how is the new ORF model different?

Under the new model, the On-Exchange ORF is assessed by the Exchange to each CTPH/M for options transactions cleared by the CTPH/M at OCC in the Customer-range only if the transaction occurs on the Exchange itself. Thus, the new ORF model more directly ties fees to where a trade is executed.

Question 4: When does the new ORF model go into effect?

The Exchange will implement the On-Exchange ORF effective July 1, 2026. Until then, the old ORF model will remain in effect.

Question 5: What will be the applicable On-Exchange ORF rate per contract side?

The applicable rate may change over time. Similar to ORF today, the Exchange will provide at least 30 days’ notice of the applicable On-Exchange ORF rate (and rate changes thereafter) via Exchange Notice (see [Fee Schedule](#)).

Question 6: To whom is the On-Exchange ORF assessed and how is it collected?

If a TPH/Member is the executing CTPH/M on a transaction that occurred on the Exchange (“Executing Clearing Firm”), the fee is assessed to and collected from that Executing Clearing Firm by OCC on behalf of the Exchange. However:

- (i) If a TPH/Member is the Executing Clearing Firm and the transaction is “given up” to a different TPH/Member that clears the transaction (a “Clearing Give-Up Firm”), then the On-Exchange ORF is assessed to the Executing Clearing Firm (the On-Exchange ORF remains the obligation of the

Executing Clearing Firm), but the On-Exchange ORF is collected from the Clearing Give-Up as an administrative convenience.

- (ii) If a TPH/Member is the Executing Clearing Firm and the transaction is reported to the Exchange as being subject to a Clearing Member Transfer Agreement (“CMTA”) to a different firm (a “Clearing CMTA Firm,” which may be a non-TPH/Member), then the On-Exchange ORF is assessed to the Executing Clearing Firm (the On-Exchange ORF remains the obligation of the Executing Clearing Firm), but the On-Exchange ORF is collected from the Clearing CMTA Firm as an administrative convenience.

Question 7: Will the Exchange assess or collect the On-Exchange ORF on transactions effected on other exchanges?

No. Under the new model, the Exchange will only assess and collect the On-Exchange ORF for transactions occurring on the Exchange.

Question 8: If a TPH/Member is the Executing Clearing Firm, and the transaction is neither transferred pursuant to a CMTA nor is “given up” to a different TPH/Member that clears the transaction, how is the ORF assessed and collected?

Similar to the old model, in this scenario the On-Exchange ORF is assessed to and collected from the Executing Clearing Firm by OCC on behalf of the Exchange.

Question 9: If a TPH/Member is the Executing Clearing Firm and the transaction is “given up” to a Clearing Give-Up Firm, who is responsible for payment of the ORF?

Similar to the old model, the On-Exchange ORF will be collected from the Clearing Give-Up by OCC on behalf of the Exchange as an administrative convenience. The On-Exchange ORF is assessed to and remains the obligation of the Executing Clearing Firm.

Question 10: How is the On-Exchange ORF assessed and collected if there is a CMTA reported to the Exchange?

Under the new model, the On-Exchange ORF remains the obligation of the Executing Clearing Firm, but the On-Exchange ORF will be collected from the Clearing CMTA Firm (which may be a non-TPH/Member) by the OCC on behalf of the Exchange as an administrative convenience. On-Exchange ORF will only be collected from CMTAs that are reported to the Exchange.

Question 11: How is the On-Exchange ORF assessed and collected if there is no CMTA reported to the Exchange, but a CMTA is reported directly to OCC?

Under the new model, the On-Exchange ORF is assessed to and collected from the Executing Clearing Firm. The On-Exchange ORF will not consider CMTAs reported directly to OCC. This differs from the old ORF model’s methodology, as the Exchange is unable to verify where a trade occurred when a CMTA is reported directly to OCC.

Question 12: How is the On-Exchange ORF assessed and collected if a TPH/Member makes a change to the clearing instructions on trade date via the Exchange Clearing Editor?

If a TPH/Member enters a transaction without a CMTA and adds a CMTA post execution via the Exchange Clearing Editor before the applicable cutoff time (see, e.g., [Cboe-Options-Clearing-Editor-Availability; 24x5-Trading-FAQ](#)), ORF is assessed to the Executing Clearing Firm but collected from the Clearing CMTA Firm (which may be a non-TPH/Member) as an administrative convenience.

Question 13: With respect to electronic trades fully or partially nullified to correct or modify certain trade information, how is the On-Exchange ORF assessed and collected if a TPH/Member re-enters trade information using the Trade Add tool on T+1 (see, e.g., [Post-Trade-Changes-on-C1](#))?

With respect to electronic trades fully or partially nullified to correct or modify certain trade information, corrections or modifications made on T+1 in the Trade Add tool will be considered for purposes of On-Exchange ORF; however, those corrections or modifications will only be reflected in the Clearing Firm's monthly trade detail report and not on the daily trade detail report (see Q14 below with regard to reports).

Question 14: Will CTPH/Ms and non-Member Clearing Firms who are charged an On-Exchange ORF be able to reconcile charges associated with the On-Exchange ORF?

The Exchange expects to provide CTPH/Ms and non-Member Clearing Firms that are charged an On-Exchange ORF sufficient information in connection with their invoice to reconcile charges associated with the On-Exchange ORF. Trade detail files will be made available via the Cboe Customer Web Portal and will contain an ORF indicator. A trade detail file with the previous day's trade detail will be available on T+1, and an end-of-month file will also be made available.

Non-Member Clearing Firms will need credentials to access the Cboe Customer Web Portal. Specifically, an [Account Administrator Request Form](#) will be required to set up an Account Admin for portal access. Firms may work with Membership Services to have a new Account Admin(s) established (913.815.7002 or membershipservices@cboe.com).

Question 15: If a CTPH or non-Member Clearing Firm has ORF billing or other ORF-related questions, or wishes to schedule a one-on-one discussion, who can they contact?

Please contact ORFQuestions@cboe.com.