

OMB APPROVAL

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Page 1 of * 202

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No.* SR - 2019 - * 027

Amendment No. (req. for Amendments *)

Filing by Cboe Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<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 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) *

☐

Section 806(e)(2) *

☐

Section 3C(b)(2) *

☐

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document



Description

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

The Exchange proposes to amend and move certain current Rules from the Exchange's currently effective Rulebook to the shell structure for the Exchange's Rulebook that will become effective upon the migration of the Exchange's trading platform to the same system used by the Cboe Affiliated Exchanges.

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 * Laura Last Name * Dickman
 Title * Vice President, Associate General Counsel
 E-mail * dickman@cboe.com
 Telephone * (312) 786-7572 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 06/07/2019

By Laura G. Dickman

(Name *)

Vice President, Associate General Counsel

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 EFFT 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 *

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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 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

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Exhibit Sent As Paper Document

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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

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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

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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.

Item 1. Text of the Proposed Rule Change

(a) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend and move certain current Rules from the Exchange’s currently effective Rulebook (“current Rulebook”) to the shell structure for the Exchange’s Rulebook that will become effective upon the migration of the Exchange’s trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below) (“shell Rulebook”). The text of the proposed rule change is provided in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange’s President (or designee) pursuant to delegated authority approved the proposed rule change on May 29, 2019. The proposed rule change would become operative on the date on which Cboe Options completes the migration of its trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below), which is expected to occur on October 7, 2019.

(b) Please refer questions and comments on the proposed rule change to Pat Sexton, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7467, or Laura G. Dickman, (312) 786-7572, Cboe Exchange, Inc., 400 South LaSalle, Chicago, Illinois 60605.

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

(a) Purpose

In 2016, the Exchange’s parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) (“Cboe Global”), which is also the parent company of Cboe

C2 Exchange, Inc. (“C2”), acquired Cboe EDGA Exchange, Inc. (“EDGA”), Cboe EDGX Exchange, Inc. (“EDGX” or “EDGX Options”), Cboe BZX Exchange, Inc. (“BZX” or “BZX Options”), and Cboe BYX Exchange, Inc. (“BYX” and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the “Cboe Affiliated Exchanges”). The Cboe Affiliated Exchanges are working to align certain system functionality, retaining only intended differences between the Cboe Affiliated Exchanges, in the context of a technology migration. Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, which the Exchange expects to complete on October 7, 2019. Cboe Options believes offering similar functionality to the extent practicable will reduce potential confusion for market participants.

In connection with this technology migration, the Exchange has a shell Rulebook that resides alongside its current Rulebook, which shell Rulebook will contain the Rules that will be in place upon completion of the Cboe Options technology migration.

Chapter 1

The proposed rule change amends and moves the definitions of terms used throughout the Rules contained in current Rule 1.1 in the current Rulebook to proposed Rule 1.1 in the shell Rulebook. While there are no substantive changes to the majority of defined terms in Rule 1.1 being moved to the shell structure, the proposed rule change adds or amends the following definitions:

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
ABBO	best bid(s) or offer(s) disseminated by other	N/A	C2 Rule 1.1 and EDGX	Added to Rule 1.1

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	Eligible Exchanges ¹ and calculated by the Exchange based on market information the Exchange receives from OPRA		Rule 21.20(a)(1)	
All Sessions class	options class the Exchange lists for trading during RTH and GTH	N/A	C2 Rule 1.1 and EDGX Rule 16.1	Adds defined term for classes the Exchange lists for trading during GTH and RTH
Book or Simple Book	electronic book of simple orders and quotes maintained by the System, which single book is used during both the RTH and GTH trading sessions ²	1.1	BZX Rule 16.1(a)(9), C2 Rule 1.1, and EDGX Rule 16.1	Currently, there is a separate book for each of RTH and GTH, but following migration, there will be a single book used for both trading sessions, as discussed below; rules of Cboe Affiliated Exchanges have no reference to separate trading sessions, as there are no GTH on those exchanges
Capacity	capacity in which a User submits an order, which the User specifies by applying the corresponding code	N/A	C2 Rule 1.1	Cboe Options currently refers to capacity as origin code; current Cboe Options origin

¹ Eligible Exchange is defined in current Rule 6.80(7) and proposed Rule 5.65(g).

² The proposed rule change also deletes current Rule 6.1A(g), which describes the separate books currently used for the RTH and GTH sessions.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	to the order, and includes B (account of a broker or dealer, including a Foreign Broker-Dealer), C (Public Customer account), F (OCC clearing firm proprietary account), J (joint back office account), L (non-Trading Permit Holder affiliate account), M (Market-Maker account), N (market-maker or specialist on another options exchange), U (Professional account)			codes are in Regulatory Circular RG13-038, and are the same as the proposed Capacities, except the proposed rule changes W to U (see specifications ³); proposed rule change deletes Y (orders for the account of a specialist registered in the underlying stock at the primary exchange for trading the stock), which will not be available following migration ⁴
Cboe Trading	Cboe Trading, Inc., broker-dealer affiliated with C2 and will serve as inbound and outbound router for C2, as discussed below	N/A	BZX Rule 2.11, C2 Rule 1.1, and EDGX Rule 2.11	Added to Rule 1.1

³ BOE Specifications, available at http://cdn.batstrading.com/resources/membership/BATS_US_Options_BOE2_Specification.pdf, and FIX Specifications, available at http://cdn.batstrading.com/resources/membership/BATS_US_Options_BZX_FIX_Specification.pdf.

⁴ Capacity codes applicable to trading of FLEX options will be addressed in a separate rule filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
EFID	Executing Firm ID	N/A	C2 Rule 1.1 and EDGX Rule 21.1(k)	Added to Rule 1.1; similar to the term acronym, which is used in current Cboe Options Rules; EFID is the term used in the technical specifications that will apply post-migration, and thus is more appropriate for the shell Rulebook; a firm may have multiple EFIDs
Global Trading Hours or GTH	trading session consisting of the hours outside of Regular Trading Hours (“RTH”) during which transactions in options may be effected on the Exchange and are set forth in proposed Rule 5.1	1.1 and 6.1.01 (proposed Rule 5.1)	N/A	Added language to clarify that GTH refers to hours during which trading on the Exchange may occur outside of RTH
Index-Linked Security or ETN	share traded on a national securities exchange that is an NMS stock and represents ownership of a security that provides for payment at maturity as set forth in proposed Rule 4.3 (current Rule 5.3)	5.3.13	N/A	Added to Rule 1.1
Market	time the Exchange	N/A	BZX Rule	Added to Rule 1.1;

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Close	specifies for the end of a trading session on the Exchange on that trading day	(market close time set forth in current Rule 6.1 (proposed Rule 5.1))	16.1, C2 Rule 1.1, and EDGX Rule 16.1	same as Cboe Affiliated Exchanges' Rules, except proposed rule references the concept of a trading session, which does not exist on Cboe Affiliated Exchanges, as they do not have GTH
Market-Maker	TPH registered with the Exchange pursuant to proposed Rule 3.52 (current Rule 8.1) for the purpose of making markets in option contracts traded on the Exchange and that has the rights and responsibilities set forth in proposed Chapter 5, Section D (current Chapter VIII) of the Rules	8.1	BZX Rule 16.1(a)(37), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1
Market Open	time the Exchange specifies for the start of a trading session on the Exchange on that trading day	N/A (market open time set forth in current rule 6.1 (proposed Rule 5.1))	BZX Rule 16.1(a)(35), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1; same as Cboe Affiliated Exchanges' Rules, except proposed rule references the concept of a trading session, which does not exist on Cboe Affiliated Exchanges, as they

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
				do not have GTH
Order Entry Firm/OEF	Trading Permit Holder registered with the Exchange pursuant to proposed Rule 3.51 representing as agent Customer Orders on the Exchange and non-Market-Maker Trading Permit Holder conducting proprietary trading	N/A	BZX Rule 16.1(a)(36), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1
Protected Quotation	a Protected Bid or Protected Offer, as each of those terms is defined in proposed Rule 5.65 (current Rule 6.80)	6.80	BZX Rule 16.1(a)(47), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1
Quote and Quotation	firm bid or offer a Market-Maker (a) submits electronically (including to update any of its previous quotes), which may be updated in block quantities, or (b) represents for open outcry on the trading floor.	1.1	BZX Rule 16.1(a)(51), C2 Rule 1.1, and EDGX Rule 16.1	Updated to reflect the distinction between electronic quotes and quotes in open outcry (consistent with current practice and functionality on the Exchange)
RTH Class	options class the Exchange lists for trading during RTH only	N/A	C2 Rule 1.1, EDGX Rule 16.1	
Size	number of contracts up to 999,999 associated with an order or quote	N/A	BZX Rule 21.1(e), C2 Rule 1.1, and	Added to Rule 1.1 (consistent with current Cboe

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
			EDGX Rule 21.1(e)	Options system)
System	the Exchange's hybrid trading platform that integrates electronic and open outcry trading of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub ⁵	1.1	BZX Rule 16.1(a)(59), C2 Rule 1.1, and EDGX Rule 16.1	Deleted reference from current definition to Hybrid, as that relates to the current technology from which the Cboe Options trading platform is being migrated
System Securities	options that currently trade on the Exchange pursuant to proposed Chapter 4 (current Chapters 5 and 24) in the shell Rulebook ⁶	N/A	BZX Rule 21.1(b), C2 Rule 1.1, and EDGX Rule 21.1(b)	Added to Rule 1.1 (additional term for options listed for trading)
Trade Desk	Exchange operations staff authorized to make certain trading determinations on behalf of the Exchange	N/A	N/A	Added to Rule 1.1; Trade Desk is new term for Help Desk at the Exchange (which term will be deleted from the Rules)
Trading	hours during which the	1.1 and	C2 Rule 1.1	Moved provisions

⁵ Rules related to orders submitted for routing to PAR for open outcry trading will be addressed in a separate rule filing.

⁶ The Exchange will move all Rules from the current Rulebook regarding options the Exchange is authorized to list for trading into Chapter 4 of the shell Rulebook in a separate rule filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Session	Exchange is open for trading for Regular Trading Hours or Global Trading Hours (each of which may referred to as a trading session), each as set forth in proposed Rule 5.1. Unless otherwise specified in the Rules or the context otherwise indicates, all Rules apply in the same manner during each trading session.	6.1A(a) and (h)	and EDGX Rule 16.1	from Rule 6.1A(a) and (h) regarding applicability of Rules during GTH to definition
Underlying index	with respect to an index option, means the index that is the subject of an index option	N/A	N/A	Added to Rule 1.1; consistent with index options (based on OCC By-Laws Article 1(U))
Underlying security	with respect to an equity option, the security that the Clearing Corporation must sell (in the case of a call option contract) or purchase (in the case of a put option contract) upon the valid exercise of the option contract, and, with respect to an index option any of the securities or mutual funds that are the basis for the calculation of the underlying index	1.1 and 24.1(e)	N/A	Added provision from Rule 24.1(e) to 1.1

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
User	any TPH or Sponsored User who is authorized to obtain access to the System pursuant to proposed Rule 5.5 (current Rule 6.23A) ⁷	N/A	BZX Rule 16.1(a)(63), C2 Rule 1.1, and EDGX Rule 16.1	Added to C2 Rule 1.1 (common term to apply to two types of market participants defined in C2 Rules, which are the only two market participants that may access the System under C2 Rules)

The proposed rule change deletes current Rule 1.1 (and any other current Rule referenced in the table above) from the current Rulebook, as further discussed below.

The proposed rule change deletes the term Voluntary Professional, as that Capacity designation will no longer be available on Cboe Options following the technology migration. It is currently unavailable on the Cboe Affiliated Exchanges. Within the definition of the term Professional, the proposed rule change deletes the list of rules pursuant to which a Professional would be treated as a broker-dealer, which in general relate to allocation priority, but adds that a Professional order will be handled the same as a broker-dealer order unless the Rules specify otherwise. The definition of a Priority Customer (which excludes Professionals) and this change to the definition of Professional accomplish the same result, as that definition within the applicable rules provide that Professionals will

⁷ The Exchange will add provisions regarding System access from the current Rulebook to Rule 5.5 of the shell Rulebook in a separate rule filing.

not be treated as customers, and instead as broker-dealers. The proposed rule change also deletes the term TPH Department, as that is not the current name of the Exchange department that handles membership requirements. Additionally, the Exchange believes it is appropriate to refer to the Exchange rather than a specific department in the Rules, as is the case in the Cboe Affiliated Exchanges' rules. The Rules that use that term will be updated in a separate rule filing. Definitions for continuous electronic quotes, Exchange spread market, and national spread market will be added to different rules in a separate filing to conform to the location of those defined terms in the rules of the Cboe Affiliated Exchanges. The Exchange also deletes the definitions of Quarterly Options Series and Short Term Options Series from Rule 1.1, as those terms are defined and explained in the appropriate listing rules. There are other types of series the Exchange may list that are not defined in Rule 1.1. The proposed rule change also makes nonsubstantive changes to certain defined terms, including to make the rule provisions plain English, update defined terms, add cross-references to defined terms in other Rules, add clarifying language, and update rule cross-references (to reference the expected Rule number for the cross-referenced Rule).

Proposed Rule 1.5 (current Rule 1.2) states the Exchange announces to Trading Permit Holders all determinations it makes pursuant to the Rules via (a) specifications, Notices, or Regulatory Circulars with appropriate advanced notice, which will be posted on the Exchange's website, or as otherwise provided in the Rules, (b) electronic message, or (c) other communication method as provided in the Rules. Most current Rules indicate determinations will be made by Regulatory Circular, which current Rule 1.2 indicates may also be made by Exchange Notice. The Exchange will update references to Regulatory

Circular throughout the Rules in separate rule filings. Proposed Rule 1.5(b) states to the extent the Rules allow the Exchange to make a determination, including on a class-by-class or series-by-series basis, the Exchange may make a determination for GTH that differs from the determination it makes for RTH. This is consistent with current Rule 6.1A(i), which the proposed rule change deletes. This single rule simplifies the Rules by including all provisions related to determinations the Exchange may make within a single Rule. The Exchange will make conforming changes throughout the Rules in separate rule filings. The proposed rule change deletes current Rules 1.2 and 6.1A(i) from the current Rulebook, as further discussed below.

Proposed Cboe Options Rule 1.6 of the shell Rulebook states unless otherwise specified, all times in the Rules are Eastern Time. Current Cboe Options Rules are generally in Chicago time. The Exchange will update times to Eastern Time in other Rules as necessary in separate rule filings.

The proposed rule change moves current rules related to Exchange liability, including disclaimers and limitations, from the current Rulebook to Chapter 1, Section C of the shell Rulebook (to be named Exchange Liability and Disclaimers, as proposed) as follows:

Rule	Number in Current Rulebook	Rule in Shell Rulebook
Exchange Liability Disclaimers and Limitations	6.7, 20.5(a) (which states 6.7 applies to Range options, which are a type of Index option), 22.5(a) (which states 6.7 applies to Binary options, which are	1.10

Rule	Number in Current Rulebook	Rule in Shell Rulebook
	a type of Index option)	
Limitation on the Liability of Index Licensors for Options on Units	6.15	1.11
Limitation on Liability of Reporting Authorities for Indexes Underlying Options	20.5(b) (which states 24.14 applies to Range options, which are a type of Index option), 22.5(b) (which states 24.14 applies to Binary options, which are a type of Index option), and 24.14	1.12
Limitation of Liability of Reporting Authority for Interest Rate Options	23.14	1.13
Limitation of Liability of Reporting Authority for Credit Options	29.10	1.14
Legal Proceedings Against the Exchange	6.7A	1.15

These rules are virtually identical (other than updating cross-references and defined terms), and are merely moving locations. The proposed rule change deletes current Rules referenced in the table above from the current Rulebook, as further discussed below.

Chapter 2

The proposed rule change moves current rules related to TPH Fees from Chapter 2 of the current Rulebook to Chapter 2 of the shell Rulebook as follows:

Rule	Number in Current Rulebook	Rule in Shell Rulebook
TPH Fees and Charges	2.1	2.1
Regulatory Revenues	2.4	2.2
Integrated Billing System	3.23	2.3
Liability for Payment	2.2	2.4
Exchange's Cost of Defending Legal Proceedings	2.3	2.5

These rules are virtually identical (other than updating cross-references and defined terms), and are merely moving locations. The proposed rule change deletes current Rules referenced in the table above from the current Rulebook, as further discussed below.

Chapter 5

The proposed rule change moves all rule provisions in the current Rulebook related to trading days and trading hours from the current Rulebook (specifically, Rules 6.1, 6.1A, 20.2, 21.10, 22.2, 23.6, 24.6,⁸ 24A.2, 28.9, and 29.11) to proposed Rule 5.1(a) and (b) in the shell Rulebook.⁹ The proposed rule change adds Rule 5.1(a), which states the System will

⁸ The Exchange proposes to delete all indexes listed in current Rule 24.6 other than ETF-Based Volatility Indexes and S&P Select Sector Indexes, as the Exchange does not currently list options on those other indexes and does not intend to in the future.

⁹ Current Rule 24.6 includes conflicting language regarding the Regular Trading Hours for ETF-Based Volatility Index options, as paragraph (b) provides such options will trade from 8:30 a.m. until 3:00 p.m., while Interpretation and Policy .02 states they will trade from 8:30 a.m. until 3:15 p.m., except if the closing time

accept orders and quotes at times set forth in proposed Rule 5.7 (current Rule 6.2(a)). Proposed Rule 5.1(c) states the hours for GTH, the classes and series that may be listed during GTH, that trading during GTH is electronic only, as well as a provision regarding the dissemination of index values during GTH (which provisions are unchanged and just moved from Rule 6.1(c) and (k), except as described below regarding FLEX options). Currently, the Exchange does not allow FLEX options to trade during GTH. The Exchange has authorized FLEX options classes with the same underlying index as options deemed eligible for trading during GTH (currently SPX, XSP, and VIX options) to be eligible for trading during GTH, and proposed paragraph (c)(1) includes that authorization. The Exchange believes there may be demand from investors for FLEX options with the same underlying indexes as the options that currently trade during GTH, and listing FLEX option classes¹⁰ with these underlying indexes will provide investors that participate in GTH with alternatives for hedging and other investment purposes. Proposed Rule 5.1 is substantially similar to C2 Rule 6.1 (except C2 has a shorter GTH trading session and different GTH-eligible products are different, and proposed Rule 5.1 lists hours for additional products that are not expected to be listed on C2). Proposed Rule 5.1 is also consistent with EDGX Rule 21.2(a). No other substantive changes were made to these Rules. This single rule simplifies the Rules by including all provisions related to trading days and hours within a single Rule.

for the index components is earlier. The proposed rule change deletes ETF-Based Volatility Index options from the list of options that will trade until 3:00 p.m., and includes the language from Interpretation and Policy .02, as that language is accurate. Note these options are not currently listed for trading, and if the Exchange does list them in the future and determines they should close at 3:00 p.m., the Exchange will submit a rule filing to make such a change.

¹⁰ Because SPX, XSP, and VIX options may only be listed Cboe and its affiliated exchanges, FLEX options on the same indexes may also only be listed on Cboe and its affiliated exchanges.

The proposed rule change deletes current Rules referenced above regarding trading days and hours from the current Rulebook, as further discussed below.

Global Trading Hours will continue to be a separate trading session from Regular Trading Hours, and will continue to be electronic only trading.¹¹ However, the Book used during Regular Trading Hours will be the same Book used during Global Trading Hours. This is different than the current trading sessions on Cboe Options, each of which use a separate Book.¹² There is generally reduced liquidity, higher volatility, and wider markets during Global Trading Hours, and investors may not want their orders or quotes to execute during Global Trading Hours given those trading conditions. To provide investors with flexibility to have their orders and quotes execute only during RTH, or both RTH and GTH, the proposed rule change adds an All Sessions order and an RTH Only order. An “All Sessions” order is an order a User designates as eligible to trade during both GTH and RTH. An unexecuted All Sessions order on the GTH Book at the end of a GTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on that same trading day, subject to a User’s instructions.¹³ An

¹¹ See proposed Rule 5.1(c)(4) (current Rule 6.1A(b), which the proposed rule change deletes). The proposed rule change also deletes Rule 6.1A(j) regarding disclosures that must be made regarding GTH trading and moves it to proposed Rule 9.20. The proposed rule change makes no changes to this provision.

¹² See proposed Rule 1.1, which amends the definition of Book to mean the electronic book of simple orders and quotes maintained by the System on which orders and quotes may execute during the applicable trading session. The Book during GTH may be referred to as the “GTH Book,” and the Book during RTH may be referred to as the “RTH Book.” This is different than Cboe Options, which uses separate books for each trading session, which are not connected. See current Rule 6.1A(g) (which the proposed rule change deletes).

¹³ See proposed Rule 5.6(c), proposed definition of All Sessions order. The Exchange notes the “RTH Queuing Book” means the book into which Users may submit orders and quotes (and onto which orders remaining on the Book from the previous trading session or trading day, as applicable, are entered) during the

“RTH Only” order is an order a User designates as eligible to trade only during RTH or not designated as All Sessions. An unexecuted RTH Only order with a Time-in-Force of good-til-cancelled (“GTC”) or good-til-day (“GTD”) on the RTH Book at the end of an RTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on the following trading day (but not during the GTH trading session on the following trading day), subject to a User’s instructions.¹⁴

Because trading sessions are currently completely separate on Cboe Options, there are not distinct order types corresponding to the proposed RTH Only and All Sessions order instructions. An order or quote submitted to GTH on Cboe Options may only execute during GTH, and an order or quote submitted to RTH on Cboe Options may only execute during RTH. The proposed RTH Only order is equivalent to any order submitted to RTH on Cboe Options. While the Exchange is not proposing an equivalent to an order submitted to GTH on Cboe Options, and instead is proposing an All Sessions order, Users may still submit an equivalent to a “GTH only” order by submitting an All Sessions order with a good-til-date Time-in-Force, with a time to cancel before the RTH market open. Therefore, Users can submit orders to participate in either trading session, or both, and thus the proposed rule change provides Users with the same order entry ability as well as additional flexibility and control regarding in which trading sessions their orders and quotes may be eligible to trade.

Queuing Period for participation in the applicable opening rotation. The Exchange will add a definition and additional descriptions regarding the Queuing Book to the Rules in a future rule filing. However, the Queuing Book is equivalent to the Book into which TPHs may submit quotes and orders during the order entry period prior to the opening process. See current Rule 6.2.

¹⁴ See proposed Rule 5.6(c), proposed definition of RTH Only order.

Generally, trading during the GTH trading session will occur in the same manner as it occurs during the RTH trading session. However, because the GTH market may have different characteristics than the RTH market (such as lower trading levels, reduced liquidity, and fewer participants), the Exchange may deem it appropriate to make different determinations for trading rules for each trading session. Proposed Rule 1.5(b) states to the extent the Rules allow the Exchange to make a determination, including on a class-by-class or series-by-series basis, the Exchange may make a determination for GTH that differs from the determination it makes for RTH.¹⁵ The Exchange maintains flexibility with respect to certain rules so that it may apply different settings and parameters to address the specific characteristics of that class and its market. For example, current Rule 6.45(a) allows the Exchange to determine electronic allocation algorithms on a class-by-class basis¹⁶; and current Rule 6.53 (proposed Rule 5.6) allows the Exchange to make certain order types, Order Instructions, and Times-in-Force not available for all Exchange systems or classes (and unless stated in the Rules or the context indicates otherwise, as proposed).¹⁷ Because trading characteristics during RTH may be different than those during GTH (such as lower trading levels, reduced liquidity, and fewer participants), the Exchange believes it is

¹⁵ See current Rule 6.1A(i) (which the proposed rule change proposes to delete).

¹⁶ Therefore, the allocation algorithm that applies to a class during RTH may differ from the allocation algorithm that apply to that class during GTH.

¹⁷ Proposed Rule 5.6(a) explicitly state that the Exchange may make these determinations on a trading session basis. It also states that all order types the Exchange makes available in an All Sessions class for RTH electronic trading are available in that class for GTH electronic trading, except as otherwise specified in the Rules. See current Rule 6.1A(f) (which the proposed rule change proposes to delete). The Exchange notes Rule 6.1A(f) currently provides GTC orders are not available during GTH. However, because the Exchange will use the same Book for GTH and RTH, the Exchange will make available the GTC time-in-force for GTH, as an order in an All Sessions class with that time-in-force can remain in the Book following the conclusion of the GTH trading session and be available for trading during the RTH trading session.

appropriate to extend this flexibility to each trading session. The Exchange represents that it will continue to have appropriate personnel available during GTH to make any determinations that Rules provide the Exchange or Exchange personnel will make (such as trading halts, opening series, and obvious errors).

The proposed rule change also moves Rule 6.40 regarding the unit of trading for option series from the current Rulebook to Rule 5.2 of the shell Rulebook, and deletes current Rule 6.40 from the current Rulebook, as discussed below. The proposed rule change makes no substantive changes to this Rule. The proposed rule change moves all provisions regarding the meaning of bids and offers from the current Rulebook (including Rules 6.41 and 6.44 (including Interpretations and Policies .01, .02, .04 and .05)¹⁸ as well as Rules 20.10(a), 21.13, 22.13(a), 23.9, 24.8, 28.11, and 29.14(a) and (c) related to the meaning of bids and offers for Range options, Government Security options, Binary options, Corporate Debt Security options, Interest Rate options, and Credit options, respectively) to proposed Rule 5.3 in the shell Rulebook. The proposed rule change makes no substantive changes to those Rules. This single rule simplifies the Rules by including all provisions related to the meaning of bids and offers within a single Rule. The proposed rule change deletes current Rules referenced above regarding the meaning of bids and offers from the current Rulebook, as further discussed below. The proposed rule change deletes current Rules referenced in the table above from the current Rulebook, as further discussed below. The proposed rule change also moves all provisions regarding the minimum increments for bids and offers (including Rule 6.42 as well as provisions in Rules 20.10(b), 21.13, 22.13(b), 23.9, 28.11, and 29.14(b) related to minimum increments for Range options, Government Security

¹⁸ The Exchange will move provisions in Rules 6.41.01 and 24.8.01 related to orders with cash prices to the shell Rulebook in separate rule filings.

options, Binary options, Interest Rate options, Corporate Debt Security options, and Credit options, respectively) to proposed Rule 5.4 in the shell Rulebook. This single rule simplifies the Rules by including all provisions related to minimum increments of options trading on the Exchange within a single Rule. No substantive changes were made to these Rules. The proposed rule change deletes current Rules referenced above regarding minimum increments from the current Rulebook, as further discussed below.

The proposed rule change moves the order types currently available on the Exchange from Rule 6.53 in the current Rulebook to proposed Rule 5.6 in the shell Rulebook. The proposed rule change makes certain changes to conform some of the definitions to those used in the Cboe Affiliated Exchanges' Rules, and also adds certain Order Instructions and Times-in-Force, as described below. The introduction to proposed Rule 5.6 states unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following order types, Order Instructions, and Times-in-Force are available on a class, system, or trading session basis.¹⁹ The introduction also states other Rules will list which order types, Order Instructions, and Times-in-Force the Exchange may make available for electronic and PAR routing (for open outcry trading), during RTH, during GTH, and for complex orders.²⁰ This is consistent with the introductory language in current Rule 6.53(a), as well as current Rule 6.1A(i), which permits the Exchange to make separate determinations for GTH and RTH.

¹⁹ As noted above, the introduction also states all order types the Exchange makes available in an All Sessions class for RTH electronic trading will be available in that class for GTH electronic trading, except as otherwise specified in the Rules.

²⁰ The Exchange will add Rules regarding which order types, Order Instructions, and Times-in-Force will be available specifically for electronic trading and PAR routing (and open outcry trading), for GTH, and for complex orders in separate rule filings.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Order Type	orders may be market or limit orders	6.53	C2 Rule 6.10(b)	Moved to proposed Rule 5.6(b)
Limit Order	order to buy or sell a stated number of option contracts at a specified price or better; a limit order to buy (sell) is marketable when, at the time it enters the System, the order price is equal to or higher (lower) than the then-current offer (bid)	6.53	BZX Rule 21.1(d)(2), C2 Rule 6.10(b), and EDGX Rule 21.1(d)(2)	Moved to proposed Rule 5.6(b); clarified that the order price compared to then-current bid or offer determines whether the limit order is marketable
Market Order	order to buy or sell a stated number of option contracts at the best price available at the time of execution; Users may not designate a market order as All Sessions	6.1A(f) and 6.53	BZX Rule 21.1(d)(5), C2 Rule 6.10(b), and EDGX Rule 21.1(d)(5)	Moved to proposed Rule 5.6(b)
Order Instruction	processing instruction a User may apply to an order (multiple instructions may apply to a single order) when entering it into the System for electronic or open outcry processing, subject to any restrictions set forth in the Rules	6.53	BZX Rule 21.1(d), C2 Rule 6.10(c), and EDGX Rule 21.1(d)	Added to Rule 5.6(c) (rules currently permit various instructions)
All-or-None	order a User designates to be executed in	6.1A(f), 6.53, and	EDGX Rule 21.1(d)(4)	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	whole or not at all; an AON order may be a market or limit order; Users may not designate an AON order as All Sessions; the Exchange does not disseminate bids or offers of AON orders to OPRA; a User may not designate an AON order as Post Only; an AON limit order is always subject to the Price Adjust process as set forth in proposed Rule 5.32; a User may apply MCN (as defined below), but no other MTP Modifier (if a User applies any other MTP Modifier to an AON order, the System handles it as an MCN), to an AON order; the Exchange may restrict the entry of AON orders in a series or class if the Exchange deems it necessary or appropriate to maintain a fair and orderly market ²¹	6.44.03		

²¹

In addition to determining the availability of AONs on a class basis, the Exchange may restrict the entry of AONs on a series basis when it deems necessary to maintain a fair and orderly market. This is consistent with current Rules 6.44.03 and 6.53, which the proposed rule change deletes from the current Rulebook. The Exchange will describe the proposed price adjust process in a future rule filing,

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Attributable	order a User designates for display (price and size) that includes the User's EFID or other unique identifier	6.53	BZX Rule 21.1(c)(1), C2 Rule 6.10(c), and EDGX Rule 21.1(c)(1)	Moved to Rule 5.6(c)
Book Only	order the System ranks and executes pursuant to current Rule 6.45, subjects to the to be proposed Price Adjust process, or cancels, as applicable (in accordance with User instructions), without routing away to another exchange	6.53	BZX Rule 21.1(d)(7), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(7)	Moved to Rule 5.6(c); currently referred to as Cboe Options Only in Rule 6.53
Cancel Back	order a User designates to not be subject to the to be proposed Price Adjust process that the System cancels or rejects (immediately at the time the System receives the order or upon return to the System after being routed away) if displaying the order on the Book would create a violation current Rule 6.82, ²² or if the	N/A	C2 Rule 6.10(c) and EDGX Rule 11.6(b)	Added to Rule 5.6(c) (consistent with current Rule 6.82) and substantively similar Cboe Affiliated Exchanges Rules (further discussed below)

but it will be equivalent to the price adjust process described in EDGX Rule 21.1(i).

²² The Exchange intends to move Rule 6.82 from the current Rulebook to Rule 5.67 in the shell Rulebook in a separate rule filing. The substance of the rule will not change.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	order cannot otherwise be executed or displayed in the Book at its limit price; the System executes a Book Only – Cancel Back order against resting orders, and cancels or rejects a Post Only – Cancel Back order, that locks or crosses the opposite side of the BBO			
Combination Order	an order involving a number of call option contracts and the same number of put option contracts in the same underlying security; in the case of an adjusted option contract, a combination order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares of the underlying	6.53	N/A	Moved to Rule 5.6(c); clarified that the legs need not consist of the same number of contracts if the contracts represent the same number of shares of the underlying (currently says “shares at option”)
Electronic Only	order a User designates for electronic execution (in whole or in part) on the Exchange only, and does not route to PAR for execution in open outcry; the System cancels an Electronic Only order that would	6.53	N/A	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	otherwise route to PAR pursuant to the Rules			
Intermarket Sweep Order/ISO	order that has the meaning provided in current Section E of Chapter 6, which may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges; the Exchange relies on the marking of an order by a User as an ISO order when handling such order, and thus, it is the entering Trading Permit Holder's responsibility, not the Exchange's responsibility, to comply with the requirements relating to ISOs	6.53	BZX Rule 21.1(d)(10), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(9)	Moved to Rule 5.6(c)
Match Trade Prevention/MTP Modifier	order that does not execute against a resting opposite side order also marked with an MTP modifier and originating from the same EFID, Trading Permit Holder identifier, trading group identifier, or Sponsored User identifier ("Unique Identifier"), with five	6.53	BZX Rule 21.1(g), C2 Rule 6.10(c), and EDGX Rule 21.1(g)	Moved to Rule 5.6(c) and conformed to Cboe Affiliated Exchanges' rules (further discussed below)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	types of modifiers available			
Minimum Quantity	order that requires a specified minimum quantity of contracts be executed or is cancelled; Minimum Quantity orders will only execute against multiple, aggregated orders if such executions would occur simultaneously, and only a Book Only order with TIF designation of IOC may have a Minimum Quantity instruction (the System disregards a Minimum Quantity instruction on any other order) ²³	6.53 and 6.44.05	BZX Rule 21.1(d)(3), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(3)	Moved to Rule 5.6(c) and renamed as minimum quantity from minimum volume; may be eligible for electronic trading, in addition to open outcry trading (currently minimum volume orders are only eligible for open outcry trading)
Non-Attributable	order a User designates for display (price and size) on an anonymous basis or not designated as an Attributable Order	N/A	BZX Rule 21.1(c)(2), C2 Rule 6.10(c), and EDGX Rule 21.1(c)(2)	Added to Rule 5.6(c); orders currently not marked Attributable on Cboe Options are non-attributable; proposed rule

²³ The proposed rule change deletes Rule 6.44, Interpretation and Policy .05. As noted above, the Exchange will make Minimum Quantity orders available for electronic trading (currently, the Exchange only makes these orders available for open outcry trading). Additionally, because Minimum Quantity orders will be IOC (and thus not rest in the Book), there is no need to address the priority of Minimum Quantity orders.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
				change merely permits Users to affirmatively designate orders as non-attributable, and specify the Exchange will by default treat orders as Non-Attributable unless the User designates it as Attributable
Not Held	order marked “not held”, “take time” or which bears any qualifying notation giving discretion as to the price or time at which such order is to be executed. An order entrusted to a Floor Broker will be considered a not held order, unless otherwise specified by a Floor Broker’s client or the order was received by the Exchange electronically and subsequently routed to a Floor Broker or PAR Official pursuant to the User’s instructions. Not held orders and/or “held” orders must be	6.53	N/A	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	marked in a manner and form prescribed by the Exchange			
Post Only	order the System ranks and executes pursuant to current Rule 6.45, ²⁴ subjects to the to be proposed Price Adjust process, or cancels or rejects (including if it is not subject to the Price Adjust process and locks or crosses a Protected Quotation of another exchange), as applicable (in accordance with a User's instructions), except the order may not remove liquidity from the Book or route away to another Exchange	N/A	BZX Rule 21.1(d)(8), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(8)	Added to Rule 5.6(c) (further discussed below)
Price Adjust	order a User designates to be subject to the to be proposed Price Adjust process, or an order a User does not designate as Cancel Back ²⁵	N/A	BZX Rule 21.1(j), C2 Rule 6.10(c), and EDGX Rule 21.1(i)	Added to Rule 5.6(c) (further discussed below)

²⁴ The Exchange intends to move Rule 6.45 from the current Rulebook to Rule 5.32 in the shell Rulebook in a separate rule filing. The rule will remain substantively the same.

²⁵ See BZX Rule 21.1(i), C2 Rule 6.12(b), and EDGX Rule 21.1(i) for a description of the Price Adjust process, which the Exchange will propose to add to the shell Rulebook in a separate filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
QCC Order	initiating order to buy (sell) at least 1,000 standard option contracts or 10,000 mini-option contracts that is identified as being part of a qualified contingent trade coupled with a contra-side order or orders totaling an equal number of contracts. QCC orders with one option leg may only be entered in the standard increments applicable to simple orders in the options class under Rule 5.4. QCC orders with more than one option leg may be entered in the increments specified for complex orders under Rule 5.4; QCC orders may execute without exposure subject to certain requirements	6.53	EDGX Rule 21.1(d)	Moved to Rule 5.6(c)
Ratio Order	a spread, straddle, or combination order in which the stated number of option contracts to buy (sell) is not equal to the stated number of option contracts to sell (buy), provided that	6.53	N/A	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	the number of contracts differ by a permissible ratio; for purposes of the Rules, a permissible ratio is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00); for example, a one-to-two (.5) ratio, a two-to-three (.667) ratio, or a two-to-one (2.00) ratio is permissible, whereas a one-to-four (.25) ratio or a four-to-one (4.0) ratio is not			
Reserve Order	limit order with both a portion of the quantity displayed (“Display Quantity”) and a reserve portion of the quantity (“Reserve Quantity”) not displayed; both display quantity and reserve quantity are available for potential execution against incoming orders, with Max Floor and replenishment instructions available ²⁶	6.53	BZX Rule 21.1(d)(1), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(1)	Moved to Rule 5.6(c) and conformed to Cboe Affiliated Exchanges rules (further discussed below)
Spread	order to buy a stated number of option contracts and to sell	6.53	N/A	Moved to Rule 5.6(c); clarified that

²⁶ The Exchange will move provisions related to the priority of Reserve Orders in a separate filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	the same number of option contracts, or contracts representing the same number of shares as the underlying, of the same class of options			the contracts may represent the same number of shares of the underlying (currently says “shares at option”)
Stop (Stop-Loss) Order	order to buy (sell) that becomes a market order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User; Users may not designate a Stop Order as All Sessions.	6.1A(f) and 6.10(c)(3)	BZX Rule 21.1(d)(11), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(11)	Moved to Rule 5.6(c); modified to compare stop prices to national prices rather than Exchange prices (BZX, EDGX, and C2 similarly use the NBBO), which reflect prices from the entire market
Stop-Limit Order	order to buy (sell) that becomes a limit order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User; Users may not	6.1A(f) and 6.53	BZX Rule 21.1(d)(12), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(12)	Moved to Rule 5.6(c); modified to compare stop prices to national prices rather than Exchange prices (BZX, C2, and EDGX similarly use the NBBO),

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	designate a Stop-Limit Order as All Sessions.			which reflect prices from the entire market
Straddle	order to buy a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date; or an order to sell a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date (e.g., an order to buy two XYZ July 50 calls and to buy two July 50 XYZ puts is a straddle order) In the case of adjusted option contracts, a straddle order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares of the underlying	6.53	N/A	Moved to Rule 5.6(c); clarified that the contracts may represent the same number of shares of the underlying (currently says “shares at option”)
Time-in-Force	period of time the System will hold an order for potential	6.53(d)	BZX Rule 21.1(f), C2 Rule 6.10(d),	Moved to Rule 5.6(d)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	execution; or quote for potential execution; unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Times-in-Force are available on a class, system, or trading session basis; current Rule 6.53C (which the Exchange intends to update and move to Rule 5.33 in the shell Rulebook) will set forth the Times-in-Force the Exchange may make available for complex orders		and EDGX Rule 21.1(f)	
Day	time-in-force that means an order to buy or sell that, if not executed, expires at the RTH market close	6.53(d)	BZX Rule 21.1(f)(3), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(3)	Moved to Rule 5.6(d)
Fill-or-Kill/FOK	time-in-force that means an order that is to be executed in its entirety as soon as the System receives it and, if not so executed, cancelled; the System considers an FOK order to be an AON order	6.53(d) and 6.44.04	BZX Rule 21.1(f)(5), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(5)	Moved to Rule 5.6(d)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Good-til-Cancelled/GTC	time-in-force that means, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) unless cancelled by the entering User, or until the option expires, whichever comes first	6.53(d)	BZX Rule 21.1(f)(4), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(4)	Moved to Rule 5.6(d)
Good-til-Date/GTD	time-in-force that means, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) until a date and time specified by the entering User unless cancelled by the entering User	N/A	BZX Rule 21.1(f)(1), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(1)	Added to Rule 5.6(d); similar to GTC orders, except it provides Users with additional flexibility to have an order automatically cancel at a specific time on a specific date, rather than manually cancel a GTC order at that time (similar to Cboe Affiliated Exchanges' rules)
Immediate-or-Cancel/IOC	time-in-force for a limit order that is to be	6.53(d)	BZX Rule 21.1(f)(2), C2	Moved to Rule 5.6(d)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	executed in whole or in part as soon as the System receives it; the System cancels and does not post to the Book any portion of an IOC order (or unexecuted portion) not executed immediately on the Exchange or another options exchange		Rule 6.10(d), and EDGX Rule 21.1(f)(2)	
Limit-on-Close/LOC	a limit order that may not execute on the Exchange until three minutes prior to RTH market close; at that time, the System enters LOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with current Rule 6.45 (to be moved to Rule 5.32 in the shell Rulebook); the System cancels an LOC order (or unexecuted portion) that does not execute by the RTH market close; Users may not designate an LOC order as All Sessions	6.1A(f) and 6.53(d)		Moved to Rule 5.6(d) and separated from MOC definition; updated (as discussed below)
Market on	a market order that may not execute on the	6.1A(f) and		Moved to Rule 5.6(d) and

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Close/MOC	Exchange until three minutes prior to RTH market close; at that time, the System enters MOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with current Rule 6.45 (to be moved to Rule 5.32 in the shell Rulebook); the System cancels an MOC order (or unexecuted portion) that does not execute by the RTH market close; Users may not designate an MOC order as All Sessions	6.53(d)		separated from LOC definition; updated (as discussed below)
At the Open/OPG	time-in-force means an order that may only participate in the Opening Process on the Exchange; the System cancels an OPG order (or unexecuted portion) that does not execute during the Opening Process	6.53(d)	BXZ Rule 21.1(f)(6), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(6)	Moved to Rule 5.6(d)

The proposed rule change also makes nonsubstantive changes to the definitions of certain order types, Order Instructions, and Times-in-Force, including to make the rule

provisions plain English, update defined terms, and add clarifying language. The Exchange will also add appropriate cross-references in the definitions of order types, Order Instructions, and Times-in-Force as the applicable cross-referenced Rules are moved from the current Rulebook to the shell Rulebook. The proposed rule change deletes current Rules in the above table from the current Rulebook, as further discussed below.

As noted above, the proposed rule change adds the following Order Instructions to proposed Rule 5.6(c), which are currently available on the Cboe Affiliated Exchanges, as indicated above.

- AON: The Exchange currently permits AON orders.²⁷ The proposed rule change does not permit a User to designate an AON order as Post Only.²⁸ An AON order's size contingency, and the fact that AON orders have last priority while resting in the Book,²⁹ will provide AON orders resting on the Book with few opportunities for AON orders to receive an execution. Additionally, Post Only orders are intended to add displayed liquidity to the Book; because AON orders are not displayed, the purpose of a Post Only instruction conflicts with AON functionality. For these reasons, the Exchange believes there will be minimal investor demand for Post Only AON orders.³⁰ The Exchange believes it is appropriate to not restrict the opportunities for execution of an AON order to the

²⁷ See Rule 6.53.

²⁸ As discussed below, a Post Only order may not, among other things, remove liquidity from the Book.

²⁹ See Rule 6.45.

³⁰ Cboe Options does not currently offer a Post Only instruction. Additionally, other exchanges, such as ISE and NOM, only permit AON orders to be entered as IOC, and thus AON orders at those options exchanges would only execute upon entry and never rest on the book (and thus Post Only, if available on those exchanges, would not be permitted).

minimal execution opportunities that would exist for an AON order while resting on the Book. This ensures that an AON order may execute upon entry if there is sufficient size resting on the Book, as well as have an opportunity for execution if it cannot so execute.

Additionally, the proposed rule change only permits Users to apply MCN (MTP cancel newest), but no other MTP Modifiers, to an AON order.³¹ Proposed Rule 5.6(c) provides that an incoming order marked with the MCN Modifier will not execute against opposite side resting interest market with any MTP modifier originating from the same Unique Identifier. The incoming order marked with the MCN modifier will be cancelled back to the originating User(s). The resting order marked with an MTP modifier will remain on the Book. The Exchange believes there will be little demand for the use of any MTP Modifiers on AON orders given that primarily retail investors submit AONs, and retail investors are unlikely to have interest on both sides of the market. Therefore, orders of different retail investors would have the opportunity to execute against each other, unlike a broker who may have orders resting on both sides of the market and may want to avoid those orders executing against each other. Therefore, the Exchange believes offering one MTP Modifier for AON orders is sufficient. The Exchange believes MCN is the most appropriate MTP modifier for AON orders, because it is the simplest modifier to implement from a System perspective and an offering of other MTP modifier for investors would present significant technical complexities given the size

³¹ If a User applies any other MTP Modifier to an AON order, the System will handle it as an MCN).

contingency of AON orders.³² Additionally, the Exchange has determined to handle an AON order with any other MTP Modifier as an MCN rather than cancel the AON, because the proposed rules provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers, and Users may achieve other results manually if so desired. For example, if User were to prefer to have a resting order with an MTP Modifier cancel and let the newer AON order rest, it could manually cancel the resting order and then resubmit the AON order.

The Exchange currently only offers match trade prevention only for market-makers, and thus the current rules regarding AON orders contains no restrictions on the use of match trade prevention instructions, as it would only be available to market-makers that submit AON orders. Because the Exchange will have match-trade prevention functionality available for all Users (as proposed) and not just Market-Makers, the Exchange believes it is appropriate to provide this functionality to all Users that submit AON orders and want match trade prevention functionality. The rules of other exchanges are also silent on whether any match trade prevention instructions are available for AON orders.

- Cancel Back: A Book Only or Post Only order a User designates to not be subject to the Price Adjust Process (which the Exchange will add to the shell Rulebook in a separate filing), which the System cancels or rejects if it locks or crosses the opposite side of the ABBO. The System executes a Book Only – Cancel Back order against resting orders, and cancels or rejects a Post Only –

³² Additionally, the Decrement and Cancel MTP Modifier is inconsistent with an AON order, because it may result in partial execution of an order.

Cancel Back order, that locks or crosses the opposite side of the BBO. The proposed functionality is partially included in the definition of Post Only in the BZX and EDGX rules,³³ and substantially similar to C2 Rule 6.10(c). The proposed rule change is also consistent with linkage rules. Book Only orders and Post Only orders do not route by definition, and the Cancel Back instruction provides an option for Users to determine how these non-routable orders will be handled within the System, consistent with their definitions.³⁴

- Match Trade Prevention (MTP) Modifiers: Current Rule 6.53(c) defines a Market-Maker Trade Prevention Order as an IOC order market with the Market-Maker Trade Prevention designation. A Market-Maker Trade Prevention Order that would trade against a resting quote or order for the same Market-Maker will be cancelled, as will the resting quote or order (unless the Market-Maker Trade Prevention Order is received while an order for the same Market-Maker is subject to an auction, in which case only the Market-Maker Trade Prevention Order will be cancelled). The Exchange proposes to adopt MTP modifiers substantively the same as those available on the Cboe Affiliated Exchanges.³⁵ The proposed MTP modifiers expand this functionality to all Users, rather than just Market-Makers, and provide Users with multiple options regarding how the System handles orders with the same Unique Identifiers. Pursuant to the proposed rule change, an order designated with any MTP modifier is not executed against a resting opposite side

³³ See BZX Rule 21.6(d)(8); and EDGX Rule 21.6(d)(8).

³⁴ C2 Rule 6.10(c) contains a substantively similar Cancel Back instruction. EDGX Rule 11.6(b) (which relates to the EDGX Equities market) contains a similar Cancel Back instruction.

³⁵ See BZX Rule 21.1(g), C2 Rule 6.10(c), and EDGX Rule 21.1(g).

order also designated with an MTP modifier and originating from the same Unique Identifier. Except for the MDC modifier described below, the MTP modifier on the incoming order controls the interaction between two orders marked with MTP modifiers:

- MTP Cancel Newest (“MCN”): An incoming order marked with the “MCN” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The System cancels or rejects the incoming order, and the resting order remains in the Book.
- MTP Cancel Oldest (“MCO”): An incoming order marked with the “MCO” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The System cancels or rejects the resting order, and processes the incoming order in accordance with current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing).
- MTP Decrement and Cancel (“MDC”): An incoming order marked with the “MDC” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders and decrements the size of the larger order by the size of the smaller order, which remaining balance remains on or processes in accordance with the equivalent of current Rule

6.45 (which the Exchange will move to the shell Rulebook in a separate filing), as applicable. Notwithstanding the foregoing, unless a User instructs the Exchange not to do so, the System cancels or rejects both orders if the resting order is marked with any MTP modifier other than MDC and the incoming order is smaller in size than the resting order.

- MTP Cancel Both (“MCB”): An incoming order marked with the “MCB” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The System cancels or rejects both orders.

- MTP Cancel Smallest (“MCS”): An incoming order marked with the “MCS” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders, and the larger order remains on the Book or processes in accordance with the equivalent of current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing), as applicable.

The proposed MTP functionality is designed to prevent market participants from unintentionally causing a proprietary self-trade. The Exchange believes these modifiers will allow firms to better manage order flow and prevent undesirable executions with themselves. Trading Permit Holders may have multiple connections into the Exchange consistent with their business needs and function.

As a result, orders routed by the same firm via different connections may, in certain circumstances, trade against each other. The proposed modifiers provide Trading Permit Holders with functionality (in addition to what is available on Cboe Options today) with the opportunity to prevent these potentially undesirable trades. The Exchange notes that offering the MTP modifiers may streamline certain regulatory functions by reducing false positive results that may occur on Exchange generated wash trading surveillance reports when orders are executed under the same Unique Identifier. For these reasons, the Exchange believes the MTP modifiers offer users enhanced order processing functionality that may prevent potentially undesirable executions without negatively impacting broker-dealer best execution obligations.

- Post Only Order: An order the System ranks and executes pursuant to current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing), subjects to the Price Adjust process, or cancels (including if it is not subject to the Price Adjust process and it would lock or cross a Protected Quotation on another exchange), as applicable (in accordance with User instructions), except the order may not remove liquidity from the Book or route away to another Exchange. This proposed instructions is nearly identical to the Cboe Options Only order instruction (the Book Only order instruction as proposed), except it will also not remove liquidity from the Book. This proposed instruction provides Users with flexibility to submit an order to add liquidity to the Book without interacting with then-currently resting interest and incurring applicable taker fees.

- Reserve Order: A limit order with both a portion of the quantity displayed (“Display Quantity”) and a reserve portion of the quantity (“Reserve Quantity”) not displayed. Both the Display Quantity and Reserve Quantity of the Reserve Order are available for potential execution against incoming orders. When entering a Reserve Order, a User must instruct the Exchange as to the quantity of the order to be initially displayed by the System (“Max Floor”). If the Display Quantity of a Reserve Order is fully executed, the System will, in accordance with the User’s instruction, replenish the Display Quantity from the Reserve Quantity using one of the below replenishment instructions. If the remainder of an order is less than the replenishment amount, the System will display the entire remainder of the order. The System creates a new timestamp for both the Display Quantity and Reserve Quantity of the order each time it is replenished from reserve.
 - Random Replenishment: An instruction that a User may attach to an order with Reserve Quantity where the System randomly replenishes the Display Quantity for the order with a number of contracts not outside a replenishment range, which equals the Max Floor plus and minus a replenishment value established by the User when entering a Reserve Order with a Random Replenishment instruction.
 - Fixed Replenishment: For any order for that a User does not select Random Replenishment, the System will replenish the Display Quantity of an order with the number of contracts equal to the Max Floor.

Current Rule 6.53(c) describes current reserve order functionality available on the Exchange. The proposed functionality is generally the same as the current

functionality but enhances the use of reserve orders by providing flexibility for Users to determine whether the reserve replenishment amount is fixed or random. This proposed functionality is substantively the same as that available on the Cboe Affiliated Exchanges.³⁶

The proposed rule change also modifies and adds detail to the definitions of MOC and LOC orders. Currently, an MOC order is a market or limit order to be executed as close as possible to the close of the market near to or at the closing price for the particular option series. The proposed rule change specifies that an MOC or LOC may not execute on the Exchange until three minutes prior to RTH market close.³⁷ The System enters LOC and MOC orders into the Book in time sequence (based on the times at which the Exchange initially received them), where they may be processed in accordance with current Rule 6.45 (which the Exchange intends to move to Rule 5.32 in the shell Rulebook).³⁸ The Exchange notes that it does not have a closing auction in which market participants may participate in an auction rotation that determines the closing price for a series, like that of the equities space, but that the proposed MOC and LOC orders merely become executable three minutes prior to the close of RTH. The Exchange queues LOC and MOC orders in the System until three minutes before the RTH market close. At that time, the System handles a LOC or MOC order as a limit order or market order, as applicable, and processes them in accordance with Rule 6.45. The Exchange believes that three minutes prior to the RTH market close is a reasonable time prior to the market close to trigger MOC and LOC orders, as it provides those orders with sufficient time to interact with contra-side interest and potentially execute

³⁶ See BZX Rule 21.1(d)(1), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(1).

³⁷ The Exchange currently triggers MOC and LOC orders three minutes prior to the RTH market close.

³⁸ Rule 6.45 describes how the System processes orders and quotes in the Book.

at a time close to the RTH market close. The proposed LOC and MOC order definitions also provide that the System cancels an LOC order or an MOC order (or an unexecuted portion of an LOC or MOC order) that does not execute by the RTH market close. This is consistent with current functionality and the purpose of these orders, which is to execute near the RTH market close on the day they were submitted to the Exchange. As the execution of MOC and LOC orders is linked to the RTH market close, such orders will be valid only during RTH; however, the System will accept such orders during any trading session.³⁹ A User may not designate an MOC or LOC order as “All Sessions”; any MOC or LOC order designated as All Sessions will be rejected.

The proposed rule change deletes the definition of a market-if-touched order and a facilitation order, as those order types are not currently available on the Exchange and will not be available following the technology migration. The Exchange will move the definitions of an AIM Sweep order and Sweep and AIM order to the shell Rulebook in separate rule filings.

Deletion of Current Rules

As noted above, to the extent the proposed rule change moves current Rules from the current Rulebook to the shell Rulebook, the proposed rule change also deletes those current Rules from the current Rulebook (as noted above, some rules will be moved to the shell Rulebook in future rule filings). However, these Rules will remain in effect and on the current Rulebook until completion of the technology migration, at which time the Rules in the shell Rulebook will take effect.

³⁹ The Exchange notes that an RTH Only MOC or LOC order submitted during GTH will remain on the book until the close of RTH.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁴⁰ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴¹ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule changes are generally intended to add or align certain system functionality currently offered by the Exchange and the Cboe Affiliated Exchanges in order to provide a consistent technology offering for the Cboe Affiliated Exchanges. A consistent technology offering, in turn, will simplify the technology implementation, changes and maintenance by Users of the Exchange that are also participants on Cboe Affiliated Exchanges. The proposed rule change does not propose to implement new or unique functionality that has not been previously filed with the Commission or is not available on Cboe Affiliated Exchanges. The Exchange notes that

⁴⁰ 15 U.S.C. 78f(b).

⁴¹ 15 U.S.C. 78f(b)(5).

⁴² Id.

the proposed rule text is generally based on rules of Cboe Affiliated Exchanges and is different only to the extent necessary to conform to the Exchange's current rules, retain intended differences based on the Exchange's market model, or make other nonsubstantive changes to simplify, clarify, eliminate duplicative language, or make the rule provisions plain English.

To the extent a proposed rule change is based on an existing Cboe Affiliated Exchange rule, the language of Exchange Rules and Cboe Affiliated Exchange rules may differ to extent necessary to conform with existing Exchange rule text or to account for details or descriptions included in the Exchange's Rules but not in the applicable Cboe Affiliated Exchange rule, such as references to trading sessions, which apply to the Exchange but not the Cboe Affiliated Exchanges, as they do not have Global Trading Hours. Where possible, the Exchange has substantively mirrored Cboe Affiliated Exchange rules, because consistent rules will simplify the regulatory requirements and increase the understanding of the Exchange's operations for Trading Permit Holders that are also participants on Cboe Affiliated Exchanges. The proposed rule change would provide greater harmonization between the rules of the Cboe Affiliated Exchanges, resulting in greater uniformity and less burdensome and more efficient regulatory compliance. As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange also believes that the proposed amendments will contribute to the protection of investors and the public interest by making the Exchange's Rules easier to understand.

The proposed rule change clearly identifies the ways in which trading during Regular Trading Hours will differ from trading during Global Trading Hours (such as identifying order types and instructions that will not be available during Global Trading Hours). This ensures that investors will continue to be aware of any differences among trading sessions. The flexibility the Exchange maintains to make determinations for each trading session will allow the Exchange to apply settings and parameters to address the different market conditions that may be present during each trading session.

The proposed All Sessions order and RTH Only order will protect investors by permitting investors who do not wish to trade during Global Trading Hours from having orders or quotes execute during those orders. Consistent with the goal of investor protection, the Exchange will not allow market orders during Global Trading Hours due to the expected increased volatility and decreased liquidity during these hours. The other proposed Order Instructions and Times-in-Force not currently available on the Exchange add functionality currently offered by Cboe Affiliated Exchanges in order to provide consistent order handling options across the Cboe Affiliated Exchanges. The proposed rule changes would also provide Users with access to optional functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users. As explained above, the proposed functionality is substantially similar to functionality on Cboe Affiliated Exchanges, and is optional for Users. The proposed rule change would provide greater harmonization between the order handling instructions available amongst the Cboe Affiliated Exchanges, resulting in greater uniformity and less burdensome and more efficient regulatory compliance. With respect to the proposed MTP modifier

functionality, the Exchange believes the various proposed modifier options would allow firms to better manage order flow and prevent undesirable executions against themselves, and the proposed change described herein enhances the choices available to such firms in how they do so. The proposed rule change also is designed to support the principles of Section 11A(a)(1) of the Act⁴³ in that it seeks to assure fair competition among brokers and dealers and among exchange markets. The proposed rule change would also provide Users with access to functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users.

The Exchange believes not permitting Users to apply the Post Only instruction to AON orders will protect investors, because it will maximize execution opportunities for AON orders. An AON order's size contingency, and the fact that AON orders will have last priority while resting in the Book, will provide AON orders resting on the Book with few opportunities for AON orders to receive an execution. Additionally, Post Only orders are intended to add displayed liquidity to the Book; because AON orders are not displayed, the purpose of a Post Only instruction conflicts with AON functionality. For these reasons, the Exchange believes there will be minimal investor demand for Post Only AON orders. This ensures that an AON order may execute upon entry if there is sufficient size resting on the Book. Additionally, as noted above, other exchanges do not permit AON orders to rest in the book at all (as they are required to be IOC).⁴⁴ Unlike those exchanges, the Exchange will permit AON orders to rest in the Book, and will

⁴³ 15 U.S.C. 78k-1(a)(1).

⁴⁴ See, e.g., ISE Rule 715(c); NOM Chapter VI, section 1(e)(10); and Phlx Rule 1066(c)(4).

merely not permit AON orders to only rest in the book. Cboe Options does not currently offer a Post Only instruction, and therefore, an AON order submitted to Cboe Options pursuant to the proposed rule change will be handled in the same manner as it is handled today, as such an order would execute upon entry (if possible), route (if eligible), or enter the Book (subject to any User instructions).

The Exchange believes the proposed rule change to offer use of the MCN Modifier (and not the other MTP Modifiers) for AON orders protects investors, because it provides all investors with the option to apply match-trade prevention functionality to AON orders. The Exchange believes there will be little demand for the use of any MTP Modifiers on AON orders given that primarily retail investors submit AONs, and retail investors are unlikely to have interest on both sides of the market. Therefore, orders of different retail investors would have the opportunity to execute against each other, unlike a broker who may have orders resting on both sides of the market and may want to avoid those orders executing against each other. Therefore, the Exchange believes offering one MTP Modifier for AON orders is sufficient. Given this expected minimal demand, the Exchange believes offering one MTP Modifier for AON orders is sufficient. Additionally, the Exchange believes that MCN is the most appropriate MTP modifier for AON orders because an offering of other MTP modifier for investors would present significant technical complexities given the size contingency of AON orders and that MCN is the simplest modifier to implement from a System perspective.⁴⁵ The proposed rules provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers, and Users may achieve other results manually if so desired. For example, if a

⁴⁵ Additionally, the Decrement and Cancel MTP Modifier is inconsistent with an AON order, because it may result in partial execution of an order.

User were to prefer to have a resting order with an MTP Modifier cancel and let the newer AON order rest, it could manually cancel the resting order and then resubmit the AON order. The Exchange has determined to handle an AON order with any other MTP Modifier as an MCN rather than cancel the AON, and the Exchange believes the proposed rules will protect investors because they provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers. Additionally, Users may achieve other results manually if so desired.

The proposed changes to the definitions of MOC and LOC orders will benefit investors, as they provide additional transparency in the Rules regarding how the System handles these orders. The proposed changes are consistent with current functionality.

The proposed rule change makes no substantive changes to the other current Rules being moved from the current Rulebook to the shell Rulebook. The proposed rule change makes various nonsubstantive changes throughout the Rules, which the Exchange believes will protect investors and benefit market participants, as these changes simplify or clarify rules, update defined terms, use plain English, and conform language to corresponding Cboe Affiliated Exchange rules as appropriate.

As described above, the basis for the majority of the substantive proposed rule changes in this filing are the approved rules of Cboe Affiliated Exchanges, which have already been found to be consistent with the Act. For instance, the Exchange does not believe that any of the proposed Order Instructions or Times-in-Force raise any new or novel issues that have not previously been considered by the Commission.

Thus, the Exchange further believes that the functionality that it proposes to offer is consistent with Section 6(b)(5) of the Act, because the System upon the technology

migration is designed to continue to be efficient and its operation transparent, thereby facilitating transactions in securities, removing impediments to and perfecting the mechanism of a free and open market and a national market system.

When Cboe Options migrates to the same technology as that of the Cboe Affiliated Exchanges, Users of the Exchange and other Cboe Affiliated Exchanges will have access to similar functionality on all Cboe Affiliated Exchanges and similar language can be incorporated into the rules of all Cboe Affiliated Exchanges. As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system.

Item 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 reiterates that the proposed rule change is being proposed in the context of the technology integration of the Cboe Affiliated Exchanges. Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges. In addition, the Exchange believes the proposed rule change will benefit Exchange participants in that it will provide a consistent technology offering for Users by the Cboe Affiliated Exchanges. Following the technology migration, the proposed Rules being added to the shell Rulebook will apply to all Users and orders submitted by Users in the same manner. As discussed above, the basis for most of the substantive proposed rule changes in this filing are the approved rules of Cboe Affiliated Exchanges, which have already been found to be consistent with the Act.

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

The Exchange neither solicited nor received comments on the proposed rule change.

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act⁴⁶ and Rule 19b-4(f)(6)⁴⁷ thereunder.

(b) The Exchange designates that the proposed rule change effects a change that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, 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.

As described above in further detail, many of the proposed rule changes are based on the rules of the Cboe Affiliated Exchanges, which have been previously filed with the Commission or approved as consistent with the Act. The proposed rule change aligns the

⁴⁶ 15 U.S.C. 78s(b)(3)(A).

⁴⁷ 17 CFR 240.19b-4(f)(6).

Exchange's System functionality across several Cboe Affiliated Exchanges, simplifying the technology implementation, changes, and maintenance by Users of the Exchange that are also participants on other Cboe Affiliated Exchanges, retaining only intended differences. The Exchange also states the proposed rule change is consistent with the protection of investors and the public interest because it will allow the Exchange to continue to strive towards a complete technology integration of the Cboe Affiliated Exchanges in a timely manner to ensure stability of the System. All proposed System functionality will be available to all Users.

The Exchange notes it has issued, and intends to continue to issue, regular updates to Trading Permit Holders regarding the technology migration changes, as well as its anticipated timeline so that Trading Permit Holders may make any requisite system changes. Specifications regarding the new Exchange System are available on the Exchange's website, and are updated as necessary. In addition, the Exchange has provided, and will continue to provide, testing opportunities for Trading Permit Holders to ensure Trading Permit Holders' systems and the Exchange System will operate in accordance with the proposed rule change when the technology migration occurs.

For the foregoing reasons, this rule filing qualifies as a "non-controversial" rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the

Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

(c) Not applicable.

(d) Not applicable.

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

As described above, many of the proposed rule changes (including new Order Instructions and Times-in-Force) are based rules the Cboe Affiliated Exchanges. These rules, and any differences between those rules and proposed rule change, are described above in the purpose section of this filing.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

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

Exhibit 5A. Proposed rule text – current Rulebook.

Exhibit 5B. Proposed rule text – shell Rulebook.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CBOE-2019-027]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend and Move Certain Current Rules from the Exchange's Currently Effective Rulebook to the Shell Structure for the Exchange's Rulebook that will Become Effective Upon the Migration of the Exchange's Trading Platform to the Same System used by the Cboe Affiliated Exchanges

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 [insert date], Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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

Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") proposes to amend and move certain current Rules from the Exchange's currently effective Rulebook ("current Rulebook") to the shell structure for the Exchange's Rulebook that will become effective upon the migration of the Exchange's trading platform to the same system used by the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

Cboe Affiliated Exchanges (as defined below) (“shell Rulebook”). The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange’s website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange’s Office of the Secretary, 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 aspects of such statements.

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

1. Purpose

In 2016, the Exchange’s parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) (“Cboe Global”), which is also the parent company of Cboe C2 Exchange, Inc. (“C2”), acquired Cboe EDGA Exchange, Inc. (“EDGA”), Cboe EDGX Exchange, Inc. (“EDGX” or “EDGX Options”), Cboe BZX Exchange, Inc. (“BZX” or “BZX Options”), and Cboe BYX Exchange, Inc. (“BYX” and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the “Cboe Affiliated Exchanges”). The Cboe Affiliated Exchanges are working to align certain system functionality, retaining only intended differences between the Cboe Affiliated Exchanges, in the context of a technology migration. Cboe Options intends to migrate its trading platform to the same system used by

the Cboe Affiliated Exchanges, which the Exchange expects to complete on October 7, 2019. Cboe Options believes offering similar functionality to the extent practicable will reduce potential confusion for market participants.

In connection with this technology migration, the Exchange has a shell Rulebook that resides alongside its current Rulebook, which shell Rulebook will contain the Rules that will be in place upon completion of the Cboe Options technology migration.

Chapter 1

The proposed rule change amends and moves the definitions of terms used throughout the Rules contained in current Rule 1.1 in the current Rulebook to proposed Rule 1.1 in the shell Rulebook. While there are no substantive changes to the majority of defined terms in Rule 1.1 being moved to the shell structure, the proposed rule change adds or amends the following definitions:

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
ABBO	best bid(s) or offer(s) disseminated by other Eligible Exchanges ⁵ and calculated by the Exchange based on market information the Exchange receives from OPRA	N/A	C2 Rule 1.1 and EDGX Rule 21.20(a)(1)	Added to Rule 1.1
All Sessions class	options class the Exchange lists for trading during RTH and GTH	N/A	C2 Rule 1.1 and EDGX Rule 16.1	Adds defined term for classes the Exchange lists for trading during

⁵ Eligible Exchange is defined in current Rule 6.80(7) and proposed Rule 5.65(g).

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
				GTH and RTH
Book or Simple Book	electronic book of simple orders and quotes maintained by the System, which single book is used during both the RTH and GTH trading sessions ⁶	1.1	BZX Rule 16.1(a)(9), C2 Rule 1.1, and EDGX Rule 16.1	Currently, there is a separate book for each of RTH and GTH, but following migration, there will be a single book used for both trading sessions, as discussed below; rules of Cboe Affiliated Exchanges have no reference to separate trading sessions, as there are no GTH on those exchanges
Capacity	capacity in which a User submits an order, which the User specifies by applying the corresponding code to the order, and includes B (account of a broker or dealer, including a Foreign Broker-Dealer), C (Public Customer account), F (OCC clearing firm proprietary account), J	N/A	C2 Rule 1.1	Cboe Options currently refers to capacity as origin code; current Cboe Options origin codes are in Regulatory Circular RG13-038, and are the same as the proposed Capacities, except the proposed rule changes W to U

⁶ The proposed rule change also deletes current Rule 6.1A(g), which describes the separate books currently used for the RTH and GTH sessions.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	(joint back office account), L (non-Trading Permit Holder affiliate account), M (Market-Maker account), N (market-maker or specialist on another options exchange), U (Professional account)			(see specifications ⁷); proposed rule change deletes Y (orders for the account of a specialist registered in the underlying stock at the primary exchange for trading the stock), which will not be available following migration ⁸
Cboe Trading	Cboe Trading, Inc., broker-dealer affiliated with C2 and will serve as inbound and outbound router for C2, as discussed below	N/A	BZX Rule 2.11, C2 Rule 1.1, and EDGX Rule 2.11	Added to Rule 1.1
EFID	Executing Firm ID	N/A	C2 Rule 1.1 and EDGX Rule 21.1(k)	Added to Rule 1.1; similar to the term acronym, which is used in current Cboe Options Rules; EFID is the term used in the

⁷ BOE Specifications, available at http://cdn.batstrading.com/resources/membership/BATS_US_Options_BOE2_Specification.pdf, and FIX Specifications, available at http://cdn.batstrading.com/resources/membership/BATS_US_Options_BZX_FIX_Specification.pdf.

⁸ Capacity codes applicable to trading of FLEX options will be addressed in a separate rule filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
				technical specifications that will apply post-migration, and thus is more appropriate for the shell Rulebook; a firm may have multiple EFIDs
Global Trading Hours or GTH	trading session consisting of the hours outside of Regular Trading Hours (“RTH”) during which transactions in options may be effected on the Exchange and are set forth in proposed Rule 5.1	1.1 and 6.1.01 (proposed Rule 5.1)	N/A	Added language to clarify that GTH refers to hours during which trading on the Exchange may occur outside of RTH
Index-Linked Security or ETN	share traded on a national securities exchange that is an NMS stock and represents ownership of a security that providers for payment at maturity as set forth in proposed Rule 4.3 (current Rule 5.3)	5.3.13	N/A	Added to Rule 1.1
Market Close	time the Exchange specifies for the end of a trading session on the Exchange on that trading day	N/A (market close time set forth in current Rule 6.1 (proposed Rule 5.1))	BZX Rule 16.1, C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1; same as Cboe Affiliated Exchanges’ Rules, except proposed rule references the concept of a trading session,

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
				which does not exist on Cboe Affiliated Exchanges, as they do not have GTH
Market-Maker	TPH registered with the Exchange pursuant to proposed Rule 3.52 (current Rule 8.1) for the purpose of making markets in option contracts traded on the Exchange and that has the rights and responsibilities set forth in proposed Chapter 5, Section D (current Chapter VIII) of the Rules	8.1	BZX Rule 16.1(a)(37), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1
Market Open	time the Exchange specifies for the start of a trading session on the Exchange on that trading day	N/A (market open time set forth in current rule 6.1 (proposed Rule 5.1))	BZX Rule 16.1(a)(35), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1; same as Cboe Affiliated Exchanges' Rules, except proposed rule references the concept of a trading session, which does not exist on Cboe Affiliated Exchanges, as they do not have GTH
Order Entry Firm/OEF	Trading Permit Holder registered with the Exchange pursuant to proposed Rule 3.51 representing as agent	N/A	BZX Rule 16.1(a)(36), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	Customer Orders on the Exchange and non-Market-Maker Trading Permit Holder conducting proprietary trading			
Protected Quotation	a Protected Bid or Protected Offer, as each of those terms is defined in proposed Rule 5.65 (current Rule 6.80)	6.80	BZX Rule 16.1(a)(47), C2 Rule 1.1, and EDGX Rule 16.1	Added to Rule 1.1
Quote and Quotation	firm bid or offer a Market-Maker (a) submits electronically (including to update any of its previous quotes), which may be updated in block quantities, or (b) represents for open outcry on the trading floor.	1.1	BZX Rule 16.1(a)(51), C2 Rule 1.1, and EDGX Rule 16.1	Updated to reflect the distinction between electronic quotes and quotes in open outcry (consistent with current practice and functionality on the Exchange)
RTH Class	options class the Exchange lists for trading during RTH only	N/A	C2 Rule 1.1, EDGX Rule 16.1	
Size	number of contracts up to 999,999 associated with an order or quote	N/A	BZX Rule 21.1(e), C2 Rule 1.1, and EDGX Rule 21.1(e)	Added to Rule 1.1 (consistent with current Cboe Options system)
System	the Exchange's hybrid trading platform that integrates electronic and open outcry trading	1.1	BZX Rule 16.1(a)(59), C2 Rule 1.1, and EDGX	Deleted reference from current definition to Hybrid, as that

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub ⁹		Rule 16.1	relates to the current technology from which the Cboe Options trading platform is being migrated
System Securities	options that currently trade on the Exchange pursuant to proposed Chapter 4 (current Chapters 5 and 24) in the shell Rulebook ¹⁰	N/A	BZX Rule 21.1(b), C2 Rule 1.1, and EDGX Rule 21.1(b)	Added to Rule 1.1 (additional term for options listed for trading)
Trade Desk	Exchange operations staff authorized to make certain trading determinations on behalf of the Exchange	N/A	N/A	Added to Rule 1.1; Trade Desk is new term for Help Desk at the Exchange (which term will be deleted from the Rules)
Trading Session	hours during which the Exchange is open for trading for Regular Trading Hours or Global Trading Hours (each of which may referred to as a trading	1.1 and 6.1A(a) and (h)	C2 Rule 1.1 and EDGX Rule 16.1	Moved provisions from Rule 6.1A(a) and (h) regarding applicability of Rules during GTH to definition

⁹ Rules related to orders submitted for routing to PAR for open outcry trading will be addressed in a separate rule filing.

¹⁰ The Exchange will move all Rules from the current Rulebook regarding options the Exchange is authorized to list for trading into Chapter 4 of the shell Rulebook in a separate rule filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	session), each as set forth in proposed Rule 5.1. Unless otherwise specified in the Rules or the context otherwise indicates, all Rules apply in the same manner during each trading session.			
Underlying index	with respect to an index option, means the index that is the subject of an index option	N/A	N/A	Added to Rule 1.1; consistent with index options (based on OCC By-Laws Article 1(U))
Underlying security	with respect to an equity option, the security that the Clearing Corporation must sell (in the case of a call option contract) or purchase (in the case of a put option contract) upon the valid exercise of the option contract, and, with respect to an index option any of the securities or mutual funds that are the basis for the calculation of the underlying index	1.1 and 24.1(e)	N/A	Added provision from Rule 24.1(e) to 1.1
User	any TPH or Sponsored User who is authorized to obtain access to the System pursuant to	N/A	BZX Rule 16.1(a)(63), C2 Rule 1.1, and EDGX	Added to C2 Rule 1.1 (common term to apply to two types of market

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	proposed Rule 5.5 (current Rule 6.23A) ¹¹		Rule 16.1	participants defined in C2 Rules, which are the only two market participants that may access the System under C2 Rules)

The proposed rule change deletes current Rule 1.1 (and any other current Rule referenced in the table above) from the current Rulebook, as further discussed below.

The proposed rule change deletes the term Voluntary Professional, as that Capacity designation will no longer be available on Cboe Options following the technology migration. It is currently unavailable on the Cboe Affiliated Exchanges. Within the definition of the term Professional, the proposed rule change deletes the list of rules pursuant to which a Professional would be treated as a broker-dealer, which in general relate to allocation priority, but adds that a Professional order will be handled the same as a broker-dealer order unless the Rules specify otherwise. The definition of a Priority Customer (which excludes Professionals) and this change to the definition of Professional accomplish the same result, as that definition within the applicable rules provide that Professionals will not be treated as customers, and instead as broker-dealers. The proposed rule change also deletes the term TPH Department, as that is not the current name of the Exchange

¹¹ The Exchange will add provisions regarding System access from the current Rulebook to Rule 5.5 of the shell Rulebook in a separate rule filing.

department that handles membership requirements. Additionally, the Exchange believes it is appropriate to refer to the Exchange rather than a specific department in the Rules, as is the case in the Cboe Affiliated Exchanges' rules. The Rules that use that term will be updated in a separate rule filing. Definitions for continuous electronic quotes, Exchange spread market, and national spread market will be added to different rules in a separate filing to conform to the location of those defined terms in the rules of the Cboe Affiliated Exchanges. The Exchange also deletes the definitions of Quarterly Options Series and Short Term Options Series from Rule 1.1, as those terms are defined and explained in the appropriate listing rules. There are other types of series the Exchange may list that are not defined in Rule 1.1. The proposed rule change also makes nonsubstantive changes to certain defined terms, including to make the rule provisions plain English, update defined terms, add cross-references to defined terms in other Rules, add clarifying language, and update rule cross-references (to reference the expected Rule number for the cross-referenced Rule).

Proposed Rule 1.5 (current Rule 1.2) states the Exchange announces to Trading Permit Holders all determinations it makes pursuant to the Rules via (a) specifications, Notices, or Regulatory Circulars with appropriate advanced notice, which will be posted on the Exchange's website, or as otherwise provided in the Rules, (b) electronic message, or (c) other communication method as provided in the Rules. Most current Rules indicate determinations will be made by Regulatory Circular, which current Rule 1.2 indicates may also be made by Exchange Notice. The Exchange will update references to Regulatory Circular throughout the Rules in separate rule filings. Proposed Rule 1.5(b) states to the extent the Rules allow the Exchange to make a determination, including on a class-by-class

or series-by-series basis, the Exchange may make a determination for GTH that differs from the determination it makes for RTH. This is consistent with current Rule 6.1A(i), which the proposed rule change deletes. This single rule simplifies the Rules by including all provisions related to determinations the Exchange may make within a single Rule. The Exchange will make conforming changes throughout the Rules in separate rule filings. The proposed rule change deletes current Rules 1.2 and 6.1A(i) from the current Rulebook, as further discussed below.

Proposed Cboe Options Rule 1.6 of the shell Rulebook states unless otherwise specified, all times in the Rules are Eastern Time. Current Cboe Options Rules are generally in Chicago time. The Exchange will update times to Eastern Time in other Rules as necessary in separate rule filings.

The proposed rule change moves current rules related to Exchange liability, including disclaimers and limitations, from the current Rulebook to Chapter 1, Section C of the shell Rulebook (to be named Exchange Liability and Disclaimers, as proposed) as follows:

Rule	Number in Current Rulebook	Rule in Shell Rulebook
Exchange Liability Disclaimers and Limitations	6.7, 20.5(a) (which states 6.7 applies to Range options, which are a type of Index option), 22.5(a) (which states 6.7 applies to Binary options, which are a type of Index option)	1.10

Rule	Number in Current Rulebook	Rule in Shell Rulebook
Limitation on the Liability of Index Licensors for Options on Units	6.15	1.11
Limitation on Liability of Reporting Authorities for Indexes Underlying Options	20.5(b) (which states 24.14 applies to Range options, which are a type of Index option), 22.5(b) (which states 24.14 applies to Binary options, which are a type of Index option), and 24.14	1.12
Limitation of Liability of Reporting Authority for Interest Rate Options	23.14	1.13
Limitation of Liability of Reporting Authority for Credit Options	29.10	1.14
Legal Proceedings Against the Exchange	6.7A	1.15

These rules are virtually identical (other than updating cross-references and defined terms), and are merely moving locations. The proposed rule change deletes current Rules referenced in the table above from the current Rulebook, as further discussed below.

Chapter 2

The proposed rule change moves current rules related to TPH Fees from Chapter 2 of the current Rulebook to Chapter 2 of the shell Rulebook as follows:

Rule	Number in Current Rulebook	Rule in Shell Rulebook
TPH Fees and Charges	2.1	2.1
Regulatory Revenues	2.4	2.2
Integrated Billing System	3.23	2.3
Liability for Payment	2.2	2.4
Exchange's Cost of Defending Legal Proceedings	2.3	2.5

These rules are virtually identical (other than updating cross-references and defined terms), and are merely moving locations. The proposed rule change deletes current Rules referenced in the table above from the current Rulebook, as further discussed below.

Chapter 5

The proposed rule change moves all rule provisions in the current Rulebook related to trading days and trading hours from the current Rulebook (specifically, Rules 6.1, 6.1A, 20.2, 21.10, 22.2, 23.6, 24.6,¹² 24A.2, 28.9, and 29.11) to proposed Rule 5.1(a) and (b) in the shell Rulebook.¹³ The proposed rule change adds Rule 5.1(a), which states the System

¹² The Exchange proposes to delete all indexes listed in current Rule 24.6 other than ETF-Based Volatility Indexes and S&P Select Sector Indexes, as the Exchange does not currently list options on those other indexes and does not intend to in the future.

¹³ Current Rule 24.6 includes conflicting language regarding the Regular Trading Hours for ETF-Based Volatility Index options, as paragraph (b) provides such options will trade from 8:30 a.m. until 3:00 p.m., while Interpretation and Policy

will accept orders and quotes at times set forth in proposed Rule 5.7 (current Rule 6.2(a)). Proposed Rule 5.1(c) states the hours for GTH, the classes and series that may be listed during GTH, that trading during GTH is electronic only, as well as a provision regarding the dissemination of index values during GTH (which provisions are unchanged and just moved from Rule 6.1(c) and (k), except as described below regarding FLEX options). Currently, the Exchange does not allow FLEX options to trade during GTH. The Exchange has authorized FLEX options classes with the same underlying index as options deemed eligible for trading during GTH (currently SPX, XSP, and VIX options) to be eligible for trading during GTH, and proposed paragraph (c)(1) includes that authorization. The Exchange believes there may be demand from investors for FLEX options with the same underlying indexes as the options that currently trade during GTH, and listing FLEX option classes¹⁴ with these underlying indexes will provide investors that participate in GTH with alternatives for hedging and other investment purposes. Proposed Rule 5.1 is substantially similar to C2 Rule 6.1 (except C2 has a shorter GTH trading session and different GTH-eligible products are different, and proposed Rule 5.1 lists hours for additional products that are not expected to be listed on C2). Proposed Rule 5.1 is also consistent with EDGX Rule 21.2(a). No other substantive changes were made to these Rules. This single rule simplifies

.02 states they will trade from 8:30 a.m. until 3:15 p.m., except if the closing time for the index components is earlier. The proposed rule change deletes ETF-Based Volatility Index options from the list of options that will trade until 3:00 p.m., and includes the language from Interpretation and Policy .02, as that language is accurate. Note these options are not currently listed for trading, and if the Exchange does list them in the future and determines they should close at 3:00 p.m., the Exchange will submit a rule filing to make such a change.

¹⁴ Because SPX, XSP, and VIX options may only be listed Cboe and its affiliated exchanges, FLEX options on the same indexes may also only be listed on Cboe and its affiliated exchanges.

the Rules by including all provisions related to trading days and hours within a single Rule. The proposed rule change deletes current Rules referenced above regarding trading days and hours from the current Rulebook, as further discussed below.

Global Trading Hours will continue to be a separate trading session from Regular Trading Hours, and will continue to be electronic only trading.¹⁵ However, the Book used during Regular Trading Hours will be the same Book used during Global Trading Hours. This is different than the current trading sessions on Cboe Options, each of which use a separate Book.¹⁶ There is generally reduced liquidity, higher volatility, and wider markets during Global Trading Hours, and investors may not want their orders or quotes to execute during Global Trading Hours given those trading conditions. To provide investors with flexibility to have their orders and quotes execute only during RTH, or both RTH and GTH, the proposed rule change adds an All Sessions order and an RTH Only order. An “All Sessions” order is an order a User designates as eligible to trade during both GTH and RTH. An unexecuted All Sessions order on the GTH Book at the end of a GTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on that same trading day, subject to a User’s instructions.¹⁷ An

¹⁵ See proposed Rule 5.1(c)(4) (current Rule 6.1A(b), which the proposed rule change deletes). The proposed rule change also deletes Rule 6.1A(j) regarding disclosures that must be made regarding GTH trading and moves it to proposed Rule 9.20. The proposed rule change makes no changes to this provision.

¹⁶ See proposed Rule 1.1, which amends the definition of Book to mean the electronic book of simple orders and quotes maintained by the System on which orders and quotes may execute during the applicable trading session. The Book during GTH may be referred to as the “GTH Book,” and the Book during RTH may be referred to as the “RTH Book.” This is different than Cboe Options, which uses separate books for each trading session, which are not connected. See current Rule 6.1A(g) (which the proposed rule change deletes).

¹⁷ See proposed Rule 5.6(c), proposed definition of All Sessions order. The

“RTH Only” order is an order a User designates as eligible to trade only during RTH or not designated as All Sessions. An unexecuted RTH Only order with a Time-in-Force of good-til-cancelled (“GTC”) or good-til-day (“GTD”) on the RTH Book at the end of an RTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on the following trading day (but not during the GTH trading session on the following trading day), subject to a User’s instructions.¹⁸

Because trading sessions are currently completely separate on Cboe Options, there are not distinct order types corresponding to the proposed RTH Only and All Sessions order instructions. An order or quote submitted to GTH on Cboe Options may only execute during GTH, and an order or quote submitted to RTH on Cboe Options may only execute during RTH. The proposed RTH Only order is equivalent to any order submitted to RTH on Cboe Options. While the Exchange is not proposing an equivalent to an order submitted to GTH on Cboe Options, and instead is proposing an All Sessions order, Users may still submit an equivalent to a “GTH only” order by submitting an All Sessions order with a good-til-date Time-in-Force, with a time to cancel before the RTH market open. Therefore, Users can submit orders to participate in either trading session, or both, and thus the proposed rule change provides Users with the same order entry ability as well as additional

Exchange notes the “RTH Queuing Book” means the book into which Users may submit orders and quotes (and onto which orders remaining on the Book from the previous trading session or trading day, as applicable, are entered) during the Queuing Period for participation in the applicable opening rotation. The Exchange will add a definition and additional descriptions regarding the Queuing Book to the Rules in a future rule filing. However, the Queuing Book is equivalent to the Book into which TPHs may submit quotes and orders during the order entry period prior to the opening process. See current Rule 6.2.

¹⁸ See proposed Rule 5.6(c), proposed definition of RTH Only order.

flexibility and control regarding in which trading sessions their orders and quotes may be eligible to trade.

Generally, trading during the GTH trading session will occur in the same manner as it occurs during the RTH trading session. However, because the GTH market may have different characteristics than the RTH market (such as lower trading levels, reduced liquidity, and fewer participants), the Exchange may deem it appropriate to make different determinations for trading rules for each trading session. Proposed Rule 1.5(b) states to the extent the Rules allow the Exchange to make a determination, including on a class-by-class or series-by-series basis, the Exchange may make a determination for GTH that differs from the determination it makes for RTH.¹⁹ The Exchange maintains flexibility with respect to certain rules so that it may apply different settings and parameters to address the specific characteristics of that class and its market. For example, current Rule 6.45(a) allows the Exchange to determine electronic allocation algorithms on a class-by-class basis²⁰; and current Rule 6.53 (proposed Rule 5.6) allows the Exchange to make certain order types, Order Instructions, and Times-in-Force not available for all Exchange systems or classes (and unless stated in the Rules or the context indicates otherwise, as proposed).²¹ Because

¹⁹ See current Rule 6.1A(i) (which the proposed rule change proposes to delete).

²⁰ Therefore, the allocation algorithm that applies to a class during RTH may differ from the allocation algorithm that apply to that class during GTH.

²¹ Proposed Rule 5.6(a) explicitly state that the Exchange may make these determinations on a trading session basis. It also states that all order types the Exchange makes available in an All Sessions class for RTH electronic trading are available in that class for GTH electronic trading, except as otherwise specified in the Rules. See current Rule 6.1A(f) (which the proposed rule change proposes to delete). The Exchange notes Rule 6.1A(f) currently provides GTC orders are not available during GTH. However, because the Exchange will use the same Book for GTH and RTH, the Exchange will make available the GTC time-in-force for GTH, as an order in an All Sessions class with that time-in-force can remain in

trading characteristics during RTH may be different than those during GTH (such as lower trading levels, reduced liquidity, and fewer participants), the Exchange believes it is appropriate to extend this flexibility to each trading session. The Exchange represents that it will continue to have appropriate personnel available during GTH to make any determinations that Rules provide the Exchange or Exchange personnel will make (such as trading halts, opening series, and obvious errors).

The proposed rule change also moves Rule 6.40 regarding the unit of trading for option series from the current Rulebook to Rule 5.2 of the shell Rulebook, and deletes current Rule 6.40 from the current Rulebook, as discussed below. The proposed rule change makes no substantive changes to this Rule. The proposed rule change moves all provisions regarding the meaning of bids and offers from the current Rulebook (including Rules 6.41 and 6.44 (including Interpretations and Policies .01, .02, .04 and .05)²² as well as Rules 20.10(a), 21.13, 22.13(a), 23.9, 24.8, 28.11, and 29.14(a) and (c) related to the meaning of bids and offers for Range options, Government Security options, Binary options, Corporate Debt Security options, Interest Rate options, and Credit options, respectively) to proposed Rule 5.3 in the shell Rulebook. The proposed rule change makes no substantive changes to those Rules. This single rule simplifies the Rules by including all provisions related to the meaning of bids and offers within a single Rule. The proposed rule change deletes current Rules referenced above regarding the meaning of bids and offers from the current Rulebook, as further discussed below. The proposed rule change deletes current Rules referenced in

the Book following the conclusion of the GTH trading session and be available for trading during the RTH trading session.

²² The Exchange will move provisions in Rules 6.41.01 and 24.8.01 related to orders with cash prices to the shell Rulebook in separate rule filings.

the table above from the current Rulebook, as further discussed below. The proposed rule change also moves all provisions regarding the minimum increments for bids and offers (including Rule 6.42 as well as provisions in Rules 20.10(b), 21.13, 22.13(b), 23.9, 28.11, and 29.14(b) related to minimum increments for Range options, Government Security options, Binary options, Interest Rate options, Corporate Debt Security options, and Credit options, respectively) to proposed Rule 5.4 in the shell Rulebook. This single rule simplifies the Rules by including all provisions related to minimum increments of options trading on the Exchange within a single Rule. No substantive changes were made to these Rules. The proposed rule change deletes current Rules referenced above regarding minimum increments from the current Rulebook, as further discussed below.

The proposed rule change moves the order types currently available on the Exchange from Rule 6.53 in the current Rulebook to proposed Rule 5.6 in the shell Rulebook. The proposed rule change makes certain changes to conform some of the definitions to those used in the Cboe Affiliated Exchanges' Rules, and also adds certain Order Instructions and Times-in-Force, as described below. The introduction to proposed Rule 5.6 states unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following order types, Order Instructions, and Times-in-Force are available on a class, system, or trading session basis.²³ The introduction also states other Rules will list which order types, Order Instructions, and Times-in-Force the Exchange may make available for electronic and PAR routing (for open outcry trading),

²³ As noted above, the introduction also states all order types the Exchange makes available in an All Sessions class for RTH electronic trading will be available in that class for GTH electronic trading, except as otherwise specified in the Rules.

during RTH, during GTH, and for complex orders.²⁴ This is consistent with the introductory language in current Rule 6.53(a), as well as current Rule 6.1A(i), which permits the Exchange to make separate determinations for GTH and RTH.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Order Type	orders may be market or limit orders	6.53	C2 Rule 6.10(b)	Moved to proposed Rule 5.6(b)
Limit Order	order to buy or sell a stated number of option contracts at a specified price or better; a limit order to buy (sell) is marketable when, at the time it enters the System, the order price is equal to or higher (lower) than the then-current offer (bid)	6.53	BZX Rule 21.1(d)(2), C2 Rule 6.10(b), and EDGX Rule 21.1(d)(2)	Moved to proposed Rule 5.6(b); clarified that the order price compared to then-current bid or offer determines whether the limit order is marketable
Market Order	order to buy or sell a stated number of option contracts at the best price available at the time of execution; Users may not designate a market order as All Sessions	6.1A(f) and 6.53	BZX Rule 21.1(d)(5), C2 Rule 6.10(b), and EDGX Rule 21.1(d)(5)	Moved to proposed Rule 5.6(b)
Order Instruction	processing instruction a User may apply to an order (multiple	6.53	BZX Rule 21.1(d), C2 Rule 6.10(c),	Added to Rule 5.6(c) (rules currently

²⁴ The Exchange will add Rules regarding which order types, Order Instructions, and Times-in-Force will be available specifically for electronic trading and PAR routing (and open outcry trading), for GTH, and for complex orders in separate rule filings.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	instructions may apply to a single order) when entering it into the System for electronic or open outcry processing, subject to any restrictions set forth in the Rules		and EDGX Rule 21.1(d)	permit various instructions)
All-or-None	order a User designates to be executed in whole or not at all; an AON order may be a market or limit order; Users may not designate an AON order as All Sessions; the Exchange does not disseminate bids or offers of AON orders to OPRA; a User may not designate an AON order as Post Only; an AON limit order is always subject to the Price Adjust process as set forth in proposed Rule 5.32; a User may apply MCN (as defined below), but no other MTP Modifier (if a User applies any other MTP Modifier to an AON order, the System handles it as an MCN), to an AON order; the Exchange may restrict the entry of AON orders in a series or class if the	6.1A(f), 6.53, and 6.44.03	EDGX Rule 21.1(d)(4)	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	Exchange deems it necessary or appropriate to maintain a fair and orderly market ²⁵			
Attributable	order a User designates for display (price and size) that includes the User's EFID or other unique identifier	6.53	BZX Rule 21.1(c)(1), C2 Rule 6.10(c), and EDGX Rule 21.1(c)(1)	Moved to Rule 5.6(c)
Book Only	order the System ranks and executes pursuant to current Rule 6.45, subjects to the to be proposed Price Adjust process, or cancels, as applicable (in accordance with User instructions), without routing away to another exchange	6.53	BZX Rule 21.1(d)(7), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(7)	Moved to Rule 5.6(c); currently referred to as Cboe Options Only in Rule 6.53
Cancel Back	order a User designates to not be subject to the to be proposed Price Adjust process that the System cancels or rejects (immediately at the time the System	N/A	C2 Rule 6.10(c) and EDGX Rule 11.6(b)	Added to Rule 5.6(c) (consistent with current Rule 6.82) and substantively similar Cboe

²⁵

In addition to determining the availability of AONs on a class basis, the Exchange may restrict the entry of AONs on a series basis when it deems necessary to maintain a fair and orderly market. This is consistent with current Rules 6.44.03 and 6.53, which the proposed rule change deletes from the current Rulebook. The Exchange will describe the proposed price adjust process in a future rule filing, but it will be equivalent to the price adjust process described in EDGX Rule 21.1(i).

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	receives the order or upon return to the System after being routed away) if displaying the order on the Book would create a violation current Rule 6.82, ²⁶ or if the order cannot otherwise be executed or displayed in the Book at its limit price; the System executes a Book Only – Cancel Back order against resting orders, and cancels or rejects a Post Only – Cancel Back order, that locks or crosses the opposite side of the BBO			Affiliated Exchanges Rules (further discussed below)
Combination Order	an order involving a number of call option contracts and the same number of put option contracts in the same underlying security; in the case of an adjusted option contract, a combination order need not consist of the same number of put and call contracts if such contracts both represent the same	6.53	N/A	Moved to Rule 5.6(c); clarified that the legs need not consist of the same number of contracts if the contracts represent the same number of shares of the underlying (currently says

²⁶

The Exchange intends to move Rule 6.82 from the current Rulebook to Rule 5.67 in the shell Rulebook in a separate rule filing. The substance of the rule will not change.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	number of shares of the underlying			“shares at option”)
Electronic Only	order a User designates for electronic execution (in whole or in part) on the Exchange only, and does not route to PAR for execution in open outcry; the System cancels an Electronic Only order that would otherwise route to PAR pursuant to the Rules	6.53	N/A	Moved to Rule 5.6(c)
Intermarket Sweep Order/ISO	order that has the meaning provided in current Section E of Chapter 6, which may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges; the Exchange relies on the marking of an order by a User as an ISO order when handling such order, and thus, it is the entering Trading Permit Holder’s responsibility, not the Exchange’s responsibility, to comply with the requirements relating to ISOs	6.53	BZX Rule 21.1(d)(10), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(9)	Moved to Rule 5.6(c)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Match Trade Prevention/MTP Modifier	order that does not execute against a resting opposite side order also marked with an MTP modifier and originating from the same EFID, Trading Permit Holder identifier, trading group identifier, or Sponsored User identifier (“Unique Identifier”), with five types of modifiers available	6.53	BZX Rule 21.1(g), C2 Rule 6.10(c), and EDGX Rule 21.1(g)	Moved to Rule 5.6(c) and conformed to Cboe Affiliated Exchanges’ rules (further discussed below)
Minimum Quantity	order that requires a specified minimum quantity of contracts be executed or is cancelled; Minimum Quantity orders will only execute against multiple, aggregated orders if such executions would occur simultaneously, and only a Book Only order with TIF designation of IOC may have a Minimum Quantity instruction (the System disregards a Minimum Quantity instruction on any other order) ²⁷	6.53 and 6.44.05	BZX Rule 21.1(d)(3), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(3)	Moved to Rule 5.6(c) and renamed as minimum quantity from minimum volume; may be eligible for electronic trading, in addition to open outcry trading (currently minimum volume orders are only eligible for open outcry trading)

²⁷

The proposed rule change deletes Rule 6.44, Interpretation and Policy .05. As noted above, the Exchange will make Minimum Quantity orders available for

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
Non-Attributable	order a User designates for display (price and size) on an anonymous basis or not designated as an Attributable Order	N/A	BZX Rule 21.1(c)(2), C2 Rule 6.10(c), and EDGX Rule 21.1(c)(2)	Added to Rule 5.6(c); orders currently not marked Attributable on Cboe Options are non-attributable; proposed rule change merely permits Users to affirmatively designate orders as non-attributable, and specify the Exchange will by default treat orders as Non-Attributable unless the User designates it as Attributable
Not Held	order marked “not held”, “take time” or which bears any qualifying notation giving discretion as to the price or time at	6.53	N/A	Moved to Rule 5.6(c)

electronic trading (currently, the Exchange only makes these orders available for open outcry trading). Additionally, because Minimum Quantity orders will be IOC (and thus not rest in the Book), there is no need to address the priority of Minimum Quantity orders.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	which such order is to be executed. An order entrusted to a Floor Broker will be considered a not held order, unless otherwise specified by a Floor Broker's client or the order was received by the Exchange electronically and subsequently routed to a Floor Broker or PAR Official pursuant to the User's instructions. Not held orders and/or "held" orders must be marked in a manner and form prescribed by the Exchange			
Post Only	order the System ranks and executes pursuant to current Rule 6.45, ²⁸ subjects to the to be proposed Price Adjust process, or cancels or rejects (including if it is not subject to the Price Adjust process and locks or crosses a Protected Quotation of another exchange), as applicable (in accordance with a User's instructions),	N/A	BZX Rule 21.1(d)(8), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(8)	Added to Rule 5.6(c) (further discussed below)

²⁸

The Exchange intends to move Rule 6.45 from the current Rulebook to Rule 5.32 in the shell Rulebook in a separate rule filing. The rule will remain substantively the same.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	except the order may not remove liquidity from the Book or route away to another Exchange			
Price Adjust	order a User designates to be subject to the to be proposed Price Adjust process, or an order a User does not designate as Cancel Back ²⁹	N/A	BZX Rule 21.1(j), C2 Rule 6.10(c), and EDGX Rule 21.1(i)	Added to Rule 5.6(c) (further discussed below)
QCC Order	initiating order to buy (sell) at least 1,000 standard option contracts or 10,000 mini-option contracts that is identified as being part of a qualified contingent trade coupled with a contra-side order or orders totaling an equal number of contracts. QCC orders with one option leg may only be entered in the standard increments applicable to simple orders in the options class under Rule 5.4. QCC orders with more than one option leg may be	6.53	EDGX Rule 21.1(d)	Moved to Rule 5.6(c)

²⁹

See BZX Rule 21.1(i), C2 Rule 6.12(b), and EDGX Rule 21.1(i) for a description of the Price Adjust process, which the Exchange will propose to add to the shell Rulebook in a separate filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	entered in the increments specified for complex orders under Rule 5.4; QCC orders may execute without exposure subject to certain requirements			
Ratio Order	a spread, straddle, or combination order in which the stated number of option contracts to buy (sell) is not equal to the stated number of option contracts to sell (buy), provided that the number of contracts differ by a permissible ratio; for purposes of the Rules, a permissible ratio is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00); for example, a one-to-two (.5) ratio, a two-to-three (.667) ratio, or a two-to-one (2.00) ratio is permissible, whereas a one-to-four (.25) ratio or a four-to-one (4.0) ratio is not	6.53	N/A	Moved to Rule 5.6(c)
Reserve Order	limit order with both a portion of the quantity displayed ("Display	6.53	BZX Rule 21.1(d)(1), C2 Rule 6.10(c),	Moved to Rule 5.6(c) and conformed to

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	Quantity”) and a reserve portion of the quantity (“Reserve Quantity”) not displayed; both display quantity and reserve quantity are available for potential execution against incoming orders, with Max Floor and replenishment instructions available ³⁰		and EDGX Rule 21.1(d)(1)	Cboe Affiliated Exchanges rules (further discussed below)
Spread	order to buy a stated number of option contracts and to sell the same number of option contracts, or contracts representing the same number of shares as the underlying, of the same class of options	6.53	N/A	Moved to Rule 5.6(c); clarified that the contracts may represent the same number of shares of the underlying (currently says “shares at option”)
Stop (Stop-Loss) Order	order to buy (sell) that becomes a market order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the	6.1A(f) and 6.10(c)(3)	BZX Rule 21.1(d)(11), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(11)	Moved to Rule 5.6(c); modified to compare stop prices to national prices rather than Exchange prices (BZX, EDGX, and C2 similarly

³⁰

The Exchange will move provisions related to the priority of Reserve Orders in a separate filing.

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	stop price specified by the User; Users may not designate a Stop Order as All Sessions.			use the NBBO), which reflect prices from the entire market
Stop-Limit Order	order to buy (sell) that becomes a limit order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User; Users may not designate a Stop-Limit Order as All Sessions.	6.1A(f) and 6.53	BZX Rule 21.1(d)(12), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(12)	Moved to Rule 5.6(c); modified to compare stop prices to national prices rather than Exchange prices (BZX, C2, and EDGX similarly use the NBBO), which reflect prices from the entire market
Straddle	order to buy a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date; or an order to sell a number of call option contracts and the same number of put option contracts on the same underlying security	6.53	N/A	Moved to Rule 5.6(c); clarified that the contracts may represent the same number of shares of the underlying (currently says “shares at option”)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	which contracts have the same exercise price and expiration date (e.g., an order to buy two XYZ July 50 calls and to buy two July 50 XYZ puts is a straddle order) In the case of adjusted option contracts, a straddle order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares of the underlying			
Time-in-Force	period of time the System will hold an order for potential execution; or quote for potential execution; unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Times-in-Force are available on a class, system, or trading session basis; current Rule 6.53C (which the Exchange intends to update and move to Rule 5.33 in the shell Rulebook) will set forth the Times-in-Force the Exchange	6.53(d)	BZX Rule 21.1(f), C2 Rule 6.10(d), and EDGX Rule 21.1(f)	Moved to Rule 5.6(d)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	may make available for complex orders			
Day	time-in-force that means an order to buy or sell that, if not executed, expires at the RTH market close	6.53(d)	BZX Rule 21.1(f)(3), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(3)	Moved to Rule 5.6(d)
Fill-or-Kill/FOK	time-in-force that means an order that is to be executed in its entirety as soon as the System receives it and, if not so executed, cancelled; the System considers an FOK order to be an AON order	6.53(d) and 6.44.04	BZX Rule 21.1(f)(5), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(5)	Moved to Rule 5.6(d)
Good-til-Cancelled/GTC	time-in-force that means, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) unless cancelled by the entering User, or until the option expires, whichever comes first	6.53(d)	BZX Rule 21.1(f)(4), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(4)	Moved to Rule 5.6(d)
Good-til-Date/GTD	time-in-force that means, if after entry into the System, the order is not fully	N/A	BZX Rule 21.1(f)(1), C2 Rule 6.10(d), and EDGX	Added to Rule 5.6(d); similar to GTC orders, except

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) until a date and time specified by the entering User unless cancelled by the entering User		Rule 21.1(f)(1)	it provides Users with additional flexibility to have an order automatically cancel at a specific time on a specific date, rather than manually cancel a GTC order at that time (similar to Cboe Affiliated Exchanges' rules)
Immediate-or-Cancel/IOC	time-in-force for a limit order that is to be executed in whole or in part as soon as the System receives it; the System cancels and does not post to the Book any portion of an IOC order (or unexecuted portion) not executed immediately on the Exchange or another options exchange	6.53(d)	BZX Rule 21.1(f)(2), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(2)	Moved to Rule 5.6(d)
Limit-on-Close/LOC	a limit order that may not execute on the Exchange until three minutes prior to RTH market close; at that time, the System enters	6.1A(f) and 6.53(d)		Moved to Rule 5.6(d) and separated from MOC definition; updated (as

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	LOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with current Rule 6.45 (to be moved to Rule 5.32 in the shell Rulebook); the System cancels an LOC order (or unexecuted portion) that does not execute by the RTH market close; Users may not designate an LOC order as All Sessions			discussed below)
Market on Close/MOC	a market order that may not execute on the Exchange until three minutes prior to RTH market close; at that time, the System enters MOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with current Rule 6.45 (to be moved to Rule 5.32 in the shell Rulebook); the System cancels an MOC order (or unexecuted portion)	6.1A(f) and 6.53(d)		Moved to Rule 5.6(d) and separated from LOC definition; updated (as discussed below)

Defined Term	Provision	Current Cboe Options Rule	Corresponding Cboe Affiliated Exchange Rule	Description of Change
	that does not execute by the RTH market close; Users may not designate an MOC order as All Sessions			
At the Open/OPG	time-in-force means an order that may only participate in the Opening Process on the Exchange; the System cancels an OPG order (or unexecuted portion) that does not execute during the Opening Process	6.53(d)	BXZ Rule 21.1(f)(6), C2 Rule 6.10(d), and EDGX Rule 21.1(f)(6)	Moved to Rule 5.6(d)

The proposed rule change also makes nonsubstantive changes to the definitions of certain order types, Order Instructions, and Times-in-Force, including to make the rule provisions plain English, update defined terms, and add clarifying language. The Exchange will also add appropriate cross-references in the definitions of order types, Order Instructions, and Times-in-Force as the applicable cross-referenced Rules are moved from the current Rulebook to the shell Rulebook. The proposed rule change deletes current Rules in the above table from the current Rulebook, as further discussed below.

As noted above, the proposed rule change adds the following Order Instructions to proposed Rule 5.6(c), which are currently available on the Cboe Affiliated Exchanges, as indicated above.

- AON: The Exchange currently permits AON orders.³¹ The proposed rule change does not permit a User to designate an AON order as Post Only.³² An AON order's size contingency, and the fact that AON orders have last priority while resting in the Book,³³ will provide AON orders resting on the Book with few opportunities for AON orders to receive an execution. Additionally, Post Only orders are intended to add displayed liquidity to the Book; because AON orders are not displayed, the purpose of a Post Only instruction conflicts with AON functionality. For these reasons, the Exchange believes there will be minimal investor demand for Post Only AON orders.³⁴ The Exchange believes it is appropriate to not restrict the opportunities for execution of an AON order to the minimal execution opportunities that would exist for an AON order while resting on the Book. This ensures that an AON order may execute upon entry if there is sufficient size resting on the Book, as well as have an opportunity for execution if it cannot so execute.

Additionally, the proposed rule change only permits Users to apply MCN (MTP cancel newest), but no other MTP Modifiers, to an AON order.³⁵ Proposed Rule 5.6(c) provides that an incoming order marked with the MCN Modifier will not

³¹ See Rule 6.53.

³² As discussed below, a Post Only order may not, among other things, remove liquidity from the Book.

³³ See Rule 6.45.

³⁴ Cboe Options does not currently offer a Post Only instruction. Additionally, other exchanges, such as ISE and NOM, only permit AON orders to be entered as IOC, and thus AON orders at those options exchanges would only execute upon entry and never rest on the book (and thus Post Only, if available on those exchanges, would not be permitted).

³⁵ If a User applies any other MTP Modifier to an AON order, the System will handle it as an MCN).

execute against opposite side resting interest market with any MTP modifier originating from the same Unique Identifier. The incoming order marked with the MCN modifier will be cancelled back to the originating User(s). The resting order marked with an MTP modifier will remain on the Book. The Exchange believes there will be little demand for the use of any MTP Modifiers on AON orders given that primarily retail investors submit AONs, and retail investors are unlikely to have interest on both sides of the market. Therefore, orders of different retail investors would have the opportunity to execute against each other, unlike a broker who may have orders resting on both sides of the market and may want to avoid those orders executing against each other. Therefore, the Exchange believes offering one MTP Modifier for AON orders is sufficient. The Exchange believes MCN is the most appropriate MTP modifier for AON orders, because it is the simplest modifier to implement from a System perspective and an offering of other MTP modifier for investors would present significant technical complexities given the size contingency of AON orders.³⁶ Additionally, the Exchange has determined to handle an AON order with any other MTP Modifier as an MCN rather than cancel the AON, because the proposed rules provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers, and Users may achieve other results manually if so desired. For example, if User were to prefer to have a resting order with an MTP Modifier cancel and let the newer AON order rest, it could manually cancel the resting order and then resubmit the AON order.

³⁶ Additionally, the Decrement and Cancel MTP Modifier is inconsistent with an AON order, because it may result in partial execution of an order.

The Exchange currently only offers match trade prevention only for market-makers, and thus the current rules regarding AON orders contains no restrictions on the use of match trade prevention instructions, as it would only be available to market-makers that submit AON orders. Because the Exchange will have match-trade prevention functionality available for all Users (as proposed) and not just Market-Makers, the Exchange believes it is appropriate to provide this functionality to all Users that submit AON orders and want match trade prevention functionality. The rules of other exchanges are also silent on whether any match trade prevention instructions are available for AON orders.

- Cancel Back: A Book Only or Post Only order a User designates to not be subject to the Price Adjust Process (which the Exchange will add to the shell Rulebook in a separate filing), which the System cancels or rejects if it locks or crosses the opposite side of the ABBO. The System executes a Book Only – Cancel Back order against resting orders, and cancels or rejects a Post Only – Cancel Back order, that locks or crosses the opposite side of the BBO. The proposed functionality is partially included in the definition of Post Only in the BZX and EDGX rules,³⁷ and substantially similar to C2 Rule 6.10(c). The proposed rule change is also consistent with linkage rules. Book Only orders and Post Only orders do not route by definition, and the Cancel Back instruction provides an option for Users to determine how these non-routable orders will be handled within the System, consistent with their definitions.³⁸

³⁷ See BZX Rule 21.6(d)(8); and EDGX Rule 21.6(d)(8).

³⁸ C2 Rule 6.10(c) contains a substantively similar Cancel Back instruction. EDGX Rule 11.6(b) (which relates to the EDGX Equities market) contains a similar

- Match Trade Prevention (MTP) Modifiers: Current Rule 6.53(c) defines a Market-Maker Trade Prevention Order as an IOC order market with the Market-Maker Trade Prevention designation. A Market-Maker Trade Prevention Order that would trade against a resting quote or order for the same Market-Maker will be cancelled, as will the resting quote or order (unless the Market-Maker Trade Prevention Order is received while an order for the same Market-Maker is subject to an auction, in which case only the Market-Maker Trade Prevention Order will be cancelled). The Exchange proposes to adopt MTP modifiers substantively the same as those available on the Cboe Affiliated Exchanges.³⁹ The proposed MTP modifiers expand this functionality to all Users, rather than just Market-Makers, and provide Users with multiple options regarding how the System handles orders with the same Unique Identifiers. Pursuant to the proposed rule change, an order designated with any MTP modifier is not executed against a resting opposite side order also designated with an MTP modifier and originating from the same Unique Identifier. Except for the MDC modifier described below, the MTP modifier on the incoming order controls the interaction between two orders marked with MTP modifiers:

- MTP Cancel Newest (“MCN”): An incoming order marked with the “MCN” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The

Cancel Back instruction.

³⁹

See BZX Rule 21.1(g), C2 Rule 6.10(c), and EDGX Rule 21.1(g).

System cancels or rejects the incoming order, and the resting order remains in the Book.

- MTP Cancel Oldest (“MCO”): An incoming order marked with the “MCO” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The System cancels or rejects the resting order, and processes the incoming order in accordance with current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing).

- MTP Decrement and Cancel (“MDC”): An incoming order marked with the “MDC” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders and decrements the size of the larger order by the size of the smaller order, which remaining balance remains on or processes in accordance with the equivalent of current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing), as applicable. Notwithstanding the foregoing, unless a User instructs the Exchange not to do so, the System cancels or rejects both orders if the resting order is marked with any MTP modifier other than MDC and the incoming order is smaller in size than the resting order.

- MTP Cancel Both (“MCB”): An incoming order marked with the “MCB” modifier does not execute against a resting order marked with any

MTP modifier originating from the same Unique Identifier. The System cancels or rejects both orders.

- MTP Cancel Smallest (“MCS”): An incoming order marked with the “MCS” modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders, and the larger order remains on the Book or processes in accordance with the equivalent of current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing), as applicable.

The proposed MTP functionality is designed to prevent market participants from unintentionally causing a proprietary self-trade. The Exchange believes these modifiers will allow firms to better manage order flow and prevent undesirable executions with themselves. Trading Permit Holders may have multiple connections into the Exchange consistent with their business needs and function. As a result, orders routed by the same firm via different connections may, in certain circumstances, trade against each other. The proposed modifiers provide Trading Permit Holders with functionality (in addition to what is available on Cboe Options today) with the opportunity to prevent these potentially undesirable trades. The Exchange notes that offering the MTP modifiers may streamline certain regulatory functions by reducing false positive results that may occur on Exchange generated wash trading surveillance reports when orders are executed

under the same Unique Identifier. For these reasons, the Exchange believes the MTP modifiers offer users enhanced order processing functionality that may prevent potentially undesirable executions without negatively impacting broker-dealer best execution obligations.

- Post Only Order: An order the System ranks and executes pursuant to current Rule 6.45 (which the Exchange will move to the shell Rulebook in a separate filing), subjects to the Price Adjust process, or cancels (including if it is not subject to the Price Adjust process and it would lock or cross a Protected Quotation on another exchange), as applicable (in accordance with User instructions), except the order may not remove liquidity from the Book or route away to another Exchange. This proposed instructions is nearly identical to the Cboe Options Only order instruction (the Book Only order instruction as proposed), except it will also not remove liquidity from the Book. This proposed instruction provides Users with flexibility to submit an order to add liquidity to the Book without interacting with then-currently resting interest and incurring applicable taker fees.

- Reserve Order: A limit order with both a portion of the quantity displayed (“Display Quantity”) and a reserve portion of the quantity (“Reserve Quantity”) not displayed. Both the Display Quantity and Reserve Quantity of the Reserve Order are available for potential execution against incoming orders. When entering a Reserve Order, a User must instruct the Exchange as to the quantity of the order to be initially displayed by the System (“Max Floor”). If the Display Quantity of a Reserve Order is fully executed, the System will, in accordance with

the User's instruction, replenish the Display Quantity from the Reserve Quantity using one of the below replenishment instructions. If the remainder of an order is less than the replenishment amount, the System will display the entire remainder of the order. The System creates a new timestamp for both the Display Quantity and Reserve Quantity of the order each time it is replenished from reserve.

- Random Replenishment: An instruction that a User may attach to an order with Reserve Quantity where the System randomly replenishes the Display Quantity for the order with a number of contracts not outside a replenishment range, which equals the Max Floor plus and minus a replenishment value established by the User when entering a Reserve Order with a Random Replenishment instruction.
- Fixed Replenishment: For any order for that a User does not select Random Replenishment, the System will replenish the Display Quantity of an order with the number of contracts equal to the Max Floor.

Current Rule 6.53(c) describes current reserve order functionality available on the Exchange. The proposed functionality is generally the same as the current functionality but enhances the use of reserve orders by providing flexibility for Users to determine whether the reserve replenishment amount is fixed or random. This proposed functionality is substantively the same as that available on the Cboe Affiliated Exchanges.⁴⁰

The proposed rule change also modifies and adds detail to the definitions of MOC and LOC orders. Currently, an MOC order is a market or limit order to be executed as close

⁴⁰ See BZX Rule 21.1(d)(1), C2 Rule 6.10(c), and EDGX Rule 21.1(d)(1).

as possible to the close of the market near to or at the closing price for the particular option series. The proposed rule change specifies that an MOC or LOC may not execute on the Exchange until three minutes prior to RTH market close.⁴¹ The System enters LOC and MOC orders into the Book in time sequence (based on the times at which the Exchange initially received them), where they may be processed in accordance with current Rule 6.45 (which the Exchange intends to move to Rule 5.32 in the shell Rulebook).⁴² The Exchange notes that it does not have a closing auction in which market participants may participate in an auction rotation that determines the closing price for a series, like that of the equities space, but that the proposed MOC and LOC orders merely become executable three minutes prior to the close of RTH. The Exchange queues LOC and MOC orders in the System until three minutes before the RTH market close. At that time, the System handles a LOC or MOC order as a limit order or market order, as applicable, and processes them in accordance with Rule 6.45. The Exchange believes that three minutes prior to the RTH market close is a reasonable time prior to the market close to trigger MOC and LOC orders, as it provides those orders with sufficient time to interact with contra-side interest and potentially execute at a time close to the RTH market close. The proposed LOC and MOC order definitions also provide that the System cancels an LOC order or an MOC order (or an unexecuted portion of an LOC or MOC order) that does not execute by the RTH market close. This is consistent with current functionality and the purpose of these orders, which is to execute near the RTH market close on the day they were submitted to the Exchange. As the execution of MOC and LOC orders is linked to the RTH market close, such orders will be

⁴¹ The Exchange currently triggers MOC and LOC orders three minutes prior to the RTH market close.

⁴² Rule 6.45 describes how the System processes orders and quotes in the Book.

valid only during RTH; however, the System will accept such orders during any trading session.⁴³ A User may not designate an MOC or LOC order as “All Sessions”; any MOC or LOC order designated as All Sessions will be rejected.

The proposed rule change deletes the definition of a market-if-touched order and a facilitation order, as those order types are not currently available on the Exchange and will not be available following the technology migration. The Exchange will move the definitions of an AIM Sweep order and Sweep and AIM order to the shell Rulebook in separate rule filings.

Deletion of Current Rules

As noted above, to the extent the proposed rule change moves current Rules from the current Rulebook to the shell Rulebook, the proposed rule change also deletes those current Rules from the current Rulebook (as noted above, some rules will be moved to the shell Rulebook in future rule filings). However, these Rules will remain in effect and on the current Rulebook until completion of the technology migration, at which time the Rules in the shell Rulebook will take effect.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁴⁴ Specifically, the Exchange believes the proposed rule change is consistent with the

⁴³ The Exchange notes that an RTH Only MOC or LOC order submitted during GTH will remain on the book until the close of RTH.

⁴⁴ 15 U.S.C. 78f(b).

Section 6(b)(5)⁴⁵ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴⁶ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule changes are generally intended to add or align certain system functionality currently offered by the Exchange and the Cboe Affiliated Exchanges in order to provide a consistent technology offering for the Cboe Affiliated Exchanges. A consistent technology offering, in turn, will simplify the technology implementation, changes and maintenance by Users of the Exchange that are also participants on Cboe Affiliated Exchanges. The proposed rule change does not propose to implement new or unique functionality that has not been previously filed with the Commission or is not available on Cboe Affiliated Exchanges. The Exchange notes that the proposed rule text is generally based on rules of Cboe Affiliated Exchanges and is different only to the extent necessary to conform to the Exchange's current rules, retain intended differences based on the Exchange's market model, or make other

⁴⁵ 15 U.S.C. 78f(b)(5).

⁴⁶ Id.

nonsubstantive changes to simplify, clarify, eliminate duplicative language, or make the rule provisions plain English.

To the extent a proposed rule change is based on an existing Cboe Affiliated Exchange rule, the language of Exchange Rules and Cboe Affiliated Exchange rules may differ to extent necessary to conform with existing Exchange rule text or to account for details or descriptions included in the Exchange's Rules but not in the applicable Cboe Affiliated Exchange rule, such as references to trading sessions, which apply to the Exchange but not the Cboe Affiliated Exchanges, as they do not have Global Trading Hours. Where possible, the Exchange has substantively mirrored Cboe Affiliated Exchange rules, because consistent rules will simplify the regulatory requirements and increase the understanding of the Exchange's operations for Trading Permit Holders that are also participants on Cboe Affiliated Exchanges. The proposed rule change would provide greater harmonization between the rules of the Cboe Affiliated Exchanges, resulting in greater uniformity and less burdensome and more efficient regulatory compliance. As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange also believes that the proposed amendments will contribute to the protection of investors and the public interest by making the Exchange's Rules easier to understand.

The proposed rule change clearly identifies the ways in which trading during Regular Trading Hours will differ from trading during Global Trading Hours (such as identifying order types and instructions that will not be available during Global Trading

Hours). This ensures that investors will continue to be aware of any differences among trading sessions. The flexibility the Exchange maintains to make determinations for each trading session will allow the Exchange to apply settings and parameters to address the different market conditions that may be present during each trading session.

The proposed All Sessions order and RTH Only order will protect investors by permitting investors who do not wish to trade during Global Trading Hours from having orders or quotes execute during those orders. Consistent with the goal of investor protection, the Exchange will not allow market orders during Global Trading Hours due to the expected increased volatility and decreased liquidity during these hours. The other proposed Order Instructions and Times-in-Force not currently available on the Exchange add functionality currently offered by Cboe Affiliated Exchanges in order to provide consistent order handling options across the Cboe Affiliated Exchanges. The proposed rule changes would also provide Users with access to optional functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users. As explained above, the proposed functionality is substantially similar to functionality on Cboe Affiliated Exchanges, and is optional for Users. The proposed rule change would provide greater harmonization between the order handling instructions available amongst the Cboe Affiliated Exchanges, resulting in greater uniformity and less burdensome and more efficient regulatory compliance. With respect to the proposed MTP modifier functionality, the Exchange believes the various proposed modifier options would allow firms to better manage order flow and prevent undesirable executions against themselves, and the proposed change described herein enhances the choices available to such firms in

how they do so. The proposed rule change also is designed to support the principles of Section 11A(a)(1) of the Act⁴⁷ in that it seeks to assure fair competition among brokers and dealers and among exchange markets. The proposed rule change would also provide Users with access to functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users.

The Exchange believes not permitting Users to apply the Post Only instruction to AON orders will protect investors, because it will maximize execution opportunities for AON orders. An AON order's size contingency, and the fact that AON orders will have last priority while resting in the Book, will provide AON orders resting on the Book with few opportunities for AON orders to receive an execution. Additionally, Post Only orders are intended to add displayed liquidity to the Book; because AON orders are not displayed, the purpose of a Post Only instruction conflicts with AON functionality. For these reasons, the Exchange believes there will be minimal investor demand for Post Only AON orders. This ensures that an AON order may execute upon entry if there is sufficient size resting on the Book. Additionally, as noted above, other exchanges do not permit AON orders to rest in the book at all (as they are required to be IOC).⁴⁸ Unlike those exchanges, the Exchange will permit AON orders to rest in the Book, and will merely not permit AON orders to only rest in the book. Cboe Options does not currently offer a Post Only instruction, and therefore, an AON order submitted to Cboe Options pursuant to the proposed rule change will be handled in the same manner as it is handled

⁴⁷ 15 U.S.C. 78k-1(a)(1).

⁴⁸ See, e.g., ISE Rule 715(c); NOM Chapter VI, section 1(e)(10); and Phlx Rule 1066(c)(4).

today, as such an order would execute upon entry (if possible), route (if eligible), or enter the Book (subject to any User instructions).

The Exchange believes the proposed rule change to offer use of the MCN Modifier (and not the other MTP Modifiers) for AON orders protects investors, because it provides all investors with the option to apply match-trade prevention functionality to AON orders. The Exchange believes there will be little demand for the use of any MTP Modifiers on AON orders given that primarily retail investors submit AONs, and retail investors are unlikely to have interest on both sides of the market. Therefore, orders of different retail investors would have the opportunity to execute against each other, unlike a broker who may have orders resting on both sides of the market and may want to avoid those orders executing against each other. Therefore, the Exchange believes offering one MTP Modifier for AON orders is sufficient. Given this expected minimal demand, the Exchange believes offering one MTP Modifier for AON orders is sufficient. Additionally, the Exchange believes that MCN is the most appropriate MTP modifier for AON orders because an offering of other MTP modifier for investors would present significant technical complexities given the size contingency of AON orders and that MCN is the simplest modifier to implement from a System perspective.⁴⁹ The proposed rules provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers, and Users may achieve other results manually if so desired. For example, if a User were to prefer to have a resting order with an MTP Modifier cancel and let the newer AON order rest, it could manually cancel the resting order and then resubmit the AON order. The Exchange has determined to handle an AON order with any other MTP Modifier

⁴⁹ Additionally, the Decrement and Cancel MTP Modifier is inconsistent with an AON order, because it may result in partial execution of an order.

as an MCN rather than cancel the AON, and the Exchange believes the proposed rules will protect investors because they provide investors with sufficient transparency regarding how the System will handle AON orders with MTP Modifiers. Additionally, Users may achieve other results manually if so desired.

The proposed changes to the definitions of MOC and LOC orders will benefit investors, as they provide additional transparency in the Rules regarding how the System handles these orders. The proposed changes are consistent with current functionality.

The proposed rule change makes no substantive changes to the other current Rules being moved from the current Rulebook to the shell Rulebook. The proposed rule change makes various nonsubstantive changes throughout the Rules, which the Exchange believes will protect investors and benefit market participants, as these changes simplify or clarify rules, update defined terms, use plain English, and conform language to corresponding Cboe Affiliated Exchange rules as appropriate.

As described above, the basis for the majority of the substantive proposed rule changes in this filing are the approved rules of Cboe Affiliated Exchanges, which have already been found to be consistent with the Act. For instance, the Exchange does not believe that any of the proposed Order Instructions or Times-in-Force raise any new or novel issues that have not previously been considered by the Commission.

Thus, the Exchange further believes that the functionality that it proposes to offer is consistent with Section 6(b)(5) of the Act, because the System upon the technology migration is designed to continue to be efficient and its operation transparent, thereby facilitating transactions in securities, removing impediments to and perfecting the mechanism of a free and open market and a national market system.

When Cboe Options migrates to the same technology as that of the Cboe Affiliated Exchanges, Users of the Exchange and other Cboe Affiliated Exchanges will have access to similar functionality on all Cboe Affiliated Exchanges and similar language can be incorporated into the rules of all Cboe Affiliated Exchanges. As such, the proposed rule change would foster cooperation and coordination with persons engaged in facilitating transactions in securities and would remove impediments to and perfect the mechanism of a free and open market and a national market system.

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 reiterates that the proposed rule change is being proposed in the context of the technology integration of the Cboe Affiliated Exchanges. Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges. In addition, the Exchange believes the proposed rule change will benefit Exchange participants in that it will provide a consistent technology offering for Users by the Cboe Affiliated Exchanges. Following the technology migration, the proposed Rules being added to the shell Rulebook will apply to all Users and orders submitted by Users in the same manner. As discussed above, the basis for most of the substantive proposed rule changes in this filing are the approved rules of Cboe Affiliated Exchanges, which have already been found to be consistent with the Act.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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. 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 Act⁵⁰ and Rule 19b-4(f)(6)⁵¹ thereunder. 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 necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change 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 proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

⁵⁰ 15 U.S.C. 78s(b)(3)(A).

⁵¹ 17 CFR 240.19b-4(f)(6).

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 Number SR-CBOE-2019-027 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 Number SR-CBOE-2019-027. 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, D.C. 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All

submissions should refer to File Number SR-CBOE-2019-027 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵²

Secretary

⁵² 17 CFR 200.30-3(a)(12).

EXHIBIT 5A

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe Exchange, Inc.

(currently effective)

* * * * *

[CHAPTER I. GENERAL PROVISIONS]**Rule 1.1. Definitions**

When used in these Rules, unless the context otherwise requires:

Adjusted Option Series

The term “adjusted option series” means a series in which, as a result of a corporate action by the issuer of the underlying security, one option contract in the series represents the delivery of other than 100 shares of underlying stock or Units.

Affiliate and Affiliated with

The terms “affiliate” of and a person “affiliated with” another person mean a person who, directly or indirectly, controls, is controlled by, or is under common control with, such other person.

Aggregate Exercise Price

The term “aggregate exercise price” means the exercise price of an option contract multiplied by (a) for equity options, the number of units of the underlying security or (b) for index options, the index multiplier for the underlying index covered by the option contract.

American-Style Option

The term “American-style option” means an option contract that, subject to the provisions of Rule 11.1 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, may be exercised on any business day prior to and on its expiration date.

Application Programming Interface and API

The terms “Application Programming Interface” and “API” mean the computer interface that allows market participants with authorized access to interface electronically with the Exchange.

Associated Person and Person Associated with a Trading Permit Holder

The terms “associated person” and “person associated with a Trading Permit Holder” mean any partner, officer, director, or branch manager of a Trading Permit Holder (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with a Trading Permit Holder, or any employee of a Trading Permit Holder.

BBO

The term “BBO” means the best bid or offer disseminated on the Exchange.

Bid

The term “bid” means the price of a limit order or quote to buy one or more options contracts.

Board

The term “Board” means the Board of Directors of the Exchange.

Book and Simple Book

The terms “Book” and “Simple Book” (also referred to as “book,” “electronic book,” and “EBook” in the Rules) mean the electronic book of simple orders and quotes maintained by the System. “Book” will refer to the Book used during Regular Trading Hours or Global Trading Hours, as applicable.

Broker-Dealer Order

The term “broker-dealer order” means an order for an account in which a Trading Permit Holder, a non-Trading Permit Holder broker or dealer in securities (including a foreign broker-dealer), a joint venture with a Trading Permit Holder and non-Trading Permit Holder participants, or a Voluntary Professional or Professional has an interest.

Business Day and Trading Day

The terms “business day” and “trading day” mean a day on which the Exchange is open for trading during Regular Trading Hours. A business day or trading day includes both the Regular Trading Hours and Global Trading Hours trading sessions on that day. If the

Exchange is not open for Regular Trading Hours on a day, then it will not be open for Global Trading Hours on that day.

Bylaws

The term “Bylaws” means the Bylaws of the Exchange, as they may be amended from time to time.

Call

The term “call” means an option contract under which the holder of the option has the right, in accordance with the terms of the option and the Rules of the Clearing Corporation, to purchase from the Clearing Corporation (a) for equity options, the number of units of the underlying security covered by the option contract, at a price per unit equal to the exercise price, or (b) for index options, the current index value times the index multiplier upon the timely exercise of the option.

Capped-Style Option

The term “capped-style option” means an option contract that is automatically exercised when (a) for equity options, the cap price is reached or (b) for index options, the cap price is less (greater) than or equals the closing index value for calls (puts). If this does not occur prior to expiration, it may be exercised, subject to the provisions of Rule 11.1 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, only on its expiration date. CAPSTM refers to capped- style options traded on the Exchange.

Class and Hybrid Class

The terms “class” and “Hybrid class” mean all option contracts with the same unit of trading covering the same underlying security or index.

Clearing Corporation and OCC

The terms “Clearing Corporation” and “OCC” mean The Options Clearing Corporation.

Clearing Trading Permit Holder

The term “Clearing Trading Permit Holder” means a Trading Permit Holder that has been admitted to membership in the Clearing Corporation pursuant to the provisions of the Rules of the Clearing Corporation and is self-clearing or that clears transactions for other Trading Permit Holders.

Closing Purchase Transaction

The term “closing purchase transaction” means an Exchange transaction that reduces or eliminates a short position in an option contract.

Closing Writing Transaction

The term “closing writing transaction” means an Exchange transaction that reduces or eliminates a long position in an option contract.

Commission and SEC

The terms “Commission” and “SEC” mean the U.S. Securities and Exchange Commission.

Complex Order

The term “complex order” means an order involving the concurrent execution of two or more different series in the same class (the “legs” or “components” of the complex order), for the same account, occurring at or near the same time and for the purpose of executing a particular investment strategy with no more than the applicable number of legs (which number the Exchange determines on a class-by-class basis). The Exchange determines in which classes complex orders are eligible for processing. Unless the context otherwise requires, the term complex order includes stock-option order and security future-option order. For purposes of electronic trading, the term “complex order” has the meaning set forth in Rule 6.53C. For purposes of Rules 6.9, 6.42, 6.45(b), and 6.74, the term “complex order” means a spread order, combination order, straddle order, or ratio order (each as defined in Rule 6.53), a stock-option order, a security future-option order, or a complex order as defined in Rule 6.53C.

Continuous Electronic Quotes

A Market-Maker who is obligated to provide continuous electronic quotes is deemed to have provided “continuous electronic quotes” if the Market-Maker provides electronic two-sided quotes for 90% of the time the Market-Maker is required to provide electronic quotes in an appointed option class on a given trading day during the applicable trading session. Compliance with this quoting obligation applies to all of a Market-Maker’s appointed classes collectively (with respect to each Market-Maker type as the Market-Maker is approved to act). The Exchange will determine compliance by a Market-Maker with this quoting obligation on a monthly basis. However, determining compliance with this obligation on a monthly basis does not relieve a Market-Maker from meeting this obligation on a daily basis, nor does it prohibit the Exchange from taking disciplinary action against a Market-Maker for failing to meet this obligation each trading day. Market-Maker continuous electronic quoting obligations may be satisfied by Market-Makers either individually or collectively with Market-Makers of the same TPH organization.

If a technical failure or limitation of a system of the Exchange prevents the Market-Maker from maintaining, or prevents the Market-Maker from communicating to the Exchange, timely and accurate electronic quotes in a class, the duration of such failure shall not be considered in determining whether the Market-Maker has satisfied the 90% quoting standard with respect to that option class. The Exchange may consider other exceptions to

this continuous electronic quote obligation based on demonstrated legal or regulatory requirements or other mitigating circumstances.

Control

The term “control” means the power to exercise a controlling influence over the management or policies of a person, unless that power is solely the result of an official position with the person. Any person who owns beneficially, directly or indirectly, more than 20% of the voting power in the election of directors of a corporation, or more than 25% of the voting power in the election of directors of any other corporation that directly or through one or more affiliates owns beneficially more than 25% of the voting power in the election of directors of the corporation, is presumed to control the corporation.

Covered

The term “covered” in respect of a short position in a call option contract means that the writer’s obligation is secured by a “specific deposit” or an “escrow deposit” meeting the conditions of Rule 610(f) or 610(h), respectively, of the Rules of the Clearing Corporation, or the writer holds in the same account as the short position, on a share-for-share basis, a long position either in the underlying security or in an option contract of the same class of options where the exercise price of the option contract in the long position is equal to or less than the exercise price of the option contract in the short position. The term “covered” in respect of a short position in a put option contract means that the writer holds in the same account as the short position, on a share-for-share basis, a long position in an option contract of the same class of options where the exercise price of the option contract in the long position is equal to or greater than the exercise price of the option contract in the short position.

Customer

The term “customer” means a Public Customer or a broker-dealer.

Customer Order

The term “customer order” means an agency order for the account of a customer.

DEA

The term “DEA” means designated examining authority.

Designated Primary Market-Maker and DPM

The terms “Designated Primary Market-Maker” and “DPM” have the meaning set forth in Rule 8.80.

Discretion

The term “discretion” means the authority of a broker or dealer to determine for a Customer the type of option, class or series of options, the number of contracts, or whether options are to be bought or sold.

DPM Designee

The term “DPM Designee” has the meaning set forth in Rule 8.81.

Equity Option

The term “equity option” means an option on an equity security (including Units (or ETFs) and Index-Linked Securities (or ETNs)).

European-Style Option

The Term “European-style option” means an option contract that, subject to the provisions of Rule 11.1 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, may be exercised only on its expiration date.

Exchange or Cboe Options

The terms “Exchange” or “Cboe Options” mean Cboe Exchange, Inc.

Exchange Act

The term “Exchange Act” means the Securities Exchange Act of 1934, as amended, and Rules and Regulations thereunder.

Exchange Spread Market

The term “Exchange Spread Market” means the derived net market based on the BBOs in the individual series legs comprising a complex order and, if a stock-option order, the NBBO of the stock leg.

Executive Officer

The term “executive officer” of a TPH organization means the chairman of the board, president, executive vice president, any other vice president engaged in the management of the TPH organization’s business pertaining to options, treasurer, secretary, or any other person who performs for a TPH organization functions corresponding to those performed by the foregoing officers.

Exercise Price

The term “exercise price” means the specified price per unit at which (a) for equity options, the underlying security or (b) for index options, the current index value may be purchased or sold upon the exercise of an option contract.

Expiration Date

Unless separately defined elsewhere in the Rules, the term “expiration date” means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business.

Federal Reserve Board

The term “Federal Reserve Board” means the Board of Governors of the Federal Reserve System.

FINRA

The term “FINRA” means the Financial Industry Regulatory Authority, Inc.

Floor Broker

The term “Floor Broker” has the meaning set forth in Rule 6.70.

Floor Official

The term “Floor Official” means an individual appointed by the Exchange who is granted certain duties and authorities under the Rules with respect to trading issues and market actions.

Foreign Broker-Dealer

The term “foreign broker-dealer” means any person or entity that is registered, authorized, or licensed by a foreign governmental agency or foreign regulatory organization (or is required to be so registered, authorized, or licensed) to perform the function of a broker or dealer in securities, or both. For the purposes of this definition, the terms “broker” and “dealer” have the same meaning as provided in Section 3(a)(4) and 3(a)(5) of the Exchange Act, except that a “broker” or “dealer” may be a bank.

Global Trading Hours

The term “Global Trading Hours” has the meaning set forth in Rule 6.1.

Good Standing

The term “good standing” means that a Trading Permit Holder or associated person is not delinquent respecting Exchange fees or other charges and is not suspended or barred from being a Trading Permit Holder or from being associated with a Trading Permit Holder.

He, Him, or His

The terms “he,” “him,” or “his” will be deemed to refer to persons of female as well as male gender, and to include organizations, as well as individuals, when the context so requires.

In-Crowd Market Participant and ICMP

The terms “in-crowd market participant” and “ICMP” mean an in-crowd Market-Maker, an on-floor DPM or LMM with an allocation or appointment, respectively, in a class, or a Floor Broker or PAR Official representing orders in the trading crowd on the trading floor.

Index Option

The term “index option” means an option on a broad-based, narrow-based, micro narrow-based, or other index of equity securities prices.

Index-Linked Exchangeable Note

The term “Index-Linked Exchangeable Note” means an exchangeable debt security that is exchangeable at the option of the holder (subject to the requirement that the holder in most circumstances exchange a specified minimum amount of notes), on call by the issuer, or at maturity for a cash amount based on the reported market prices of the underlying stocks of an underlying index.

Index-Linked Security and ETN

The terms “Index-Linked Security” and “ETN” (exchange-traded note) means shares or other securities principally traded on a national securities exchange and defined as an NMS stock as set forth in Rule 5.3, Interpretation and Policy .13.

Index Portfolio Receipts or IPRs

The terms “index portfolio receipts” and “IPRs” mean securities that (a) represent an interest in a unit investment trust which holds the securities that comprise an index on which a series of IPRs is based; (b) are issued by the trust in a specified aggregate minimum number in return for a “Portfolio Deposit” consisting of specified numbers of shares of stock plus a cash amount; (c) when aggregated in the same specified minimum number, may be redeemed from the trust, which will pay to the redeeming holder the stock and cash then comprising the Portfolio Deposit; and (d) pay holders a periodic cash payment corresponding to the regular cash dividends or distributions declared and paid with respect

to the component securities of the stock index on which the IPRs are based, less certain expenses and other charges as set forth in the trust prospectus. IPRs are “UIT interests” within the meaning of the Rules.

Index Portfolio Shares or IPSs

The terms “Index Portfolio Shares” and “IPSs” mean securities that (a) are issued by an open-end management investment company based on a portfolio of stocks or fixed income securities designed to provide investment results that correspond generally to the price and yield performance of a specified foreign or domestic stock index or fixed income securities index; (b) are issued by such an open-end management investment company in a specified aggregate minimum number in return for a deposit of specified number of shares of stock and/or a cash amount, or a specified portfolio of fixed income securities and/or a cash amount, with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder’s request by such open-end management investment company, which will pay to the redeeming holder stock and/or cash, or a specified portfolio of fixed income securities and/or cash with a value equal to the next determined net asset value.

Inter-Regulatory Spread Order

The term “inter-regulatory spread” order means an order involving the simultaneous purchase and/or sale of at least one unit in contracts each of which is subject to different regulatory jurisdictions at stated limits, or at a stated differential, or at market prices on the floor of the Exchange.

Lead Market-Maker or LMM

The terms “Lead Market-Maker” and “LMM” have the meaning set forth in Rule 8.15.

Limit Up-Limit Down State

The term “limit up-limit down state” has the meaning set forth in Rule 6.3A.

Long Position

The term “long position” means a person’s interest as the holder of one or more option contracts.

Market-Maker

The term “Market-Maker” has the meaning set forth in Rule 8.1.

Minimum Increment

The term “minimum increment” means the minimum increment for which bids and offers generally may be expressed as established pursuant to Rule 6.42.

National Spread Market

The term “national spread market” means the derived net market based on the NBBOs in the individual series legs comprising a complex order and, if a stock-option order, the NBBO of the stock leg.

NBB, NBO, and NBBO

The term “NBB” means the national best bid, the term “NBO” means the national best offer, and the term “NBBO” means the national best bid or offer the Exchange calculates based on market information it receives from OPRA.

NMS Stock

The term “NMS stock” has the meaning set forth in Rule 600 of Regulation NMS of the Exchange Act.

Nominee

The term “nominee” means an individual who is authorized by a TPH organization, in accordance with Rule 3.8, to represent the TPH organization in all matters relating to the Exchange.

Notional Value

The term “notional value” means the value calculated by multiplying the number of contracts (contract size multiplied by the contract multiplier) in an order by the order’s limit price.

OCC Cleared OTC Option Contract

The term “OCC cleared OTC option contract” means an over-the-counter option contract that is issued and guaranteed by OCC and, except as otherwise provided in the Rules, is not an option contract.

Offer

The term “offer” means the price of a limit order or quote to sell one or more option contracts.

OLPP

The term “OLPP” means the Options Listing Procures Plan, which is available on OCC’s website.

Opening Purchase Transaction

The term “opening purchase transaction” means a transaction that creates or increases a long position in an option contract.

Opening Writing Transaction

The term “opening writing transaction” means a transaction that creates or increases a short position in an option contract.

OPRA

The term “OPRA” means the Options Price Reporting Authority.

Option Contract

The term “option contract” means a put or a call issued, or subject to issuance, by the Clearing Corporation pursuant to the Rules of the Clearing Corporation.

Options Principal

The term “Options Principal” means a person engaged in the management and supervision of the Trading Permit Holder’s business pertaining to option contracts that has responsibility for the overall oversight of the Trading Permit Holder’s options-related activities on the Exchange.

Order

The term “order” means a firm commitment to buy or sell option contracts. Order types are listed in Rule 6.53.

Order Service Firm

The term “order service firm” has the meaning set forth in Rule 6.77.

Outstanding

The term “outstanding” means an option contract that has been issued by the Clearing Corporation and has neither been the subject of a closing writing transaction nor reached its expiration date.

PAR Official

The term “PAR Official” has the meaning set forth in Rule 6.12B.

Person

The term “person” means an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

Preferred Market-Maker or PMM

The terms “Preferred Market-Maker” and “PMM” have the meaning set forth in Rule 8.13.

Primary Market

The term “primary market” means the primary exchange on which an underlying security is listed.

Principal Shareholder

The term “principal shareholder” means any person beneficially owning, directly or indirectly, equity securities representing at least 5% of the voting power in elections of directors, of the net worth, or participation in the net profits of a corporation.

Priority Customer

The term “priority customer” means a person or entity that is a public customer and is not a Professional or Voluntary Professional.

Priority Customer Order

The term “priority customer order” means an order for the account of a priority customer.

Professional

The term “Professional” means any person or entity that (a) is not a broker or dealer in securities, and (b) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). Interpretation and Policy .01 to this Rule 1.1 describes how certain orders should be counted for Professional order counting purposes. A Professional will be treated in the same manner as a broker or dealer in securities for purposes of Rules 6.2, 6.8, 6.9, 6.25, 6.45 (except for Interpretation and Policy .02), 6.47, 6.53C(d)(v) and Interpretation and Policy .06(b) and (c), 6.74 (except Professional orders may be considered Public Customer orders subject to facilitation under paragraphs (b) and (d)), 6.74A, 6.74B, 8.13, 8.15(d), 8.87, and 24.19. All Professional orders must be marked with the appropriate origin code determined by the Exchange.

Proprietary Trading Permit Holder

The term “Proprietary Trading Permit Holder” means a Trading Permit Holder with electronic access to the Exchange to submit proprietary orders that are not Market-Maker orders.

Public Customer

The term “public customer” means a person that is not a broker or dealer in securities.

Public Customer Order

The term “public customer order” means an order for the account of a public customer.

Put

The term “put” means an option contract under which the holder of the option has the right, in accordance with the terms and provisions of the option and the Rules of the Clearing Corporation, to sell to the Clearing Corporation (a) for equity options, the number of units of the underlying security covered by the option contract, at a price per unit equal to the exercise price, or (b) for index options, the current index value times the index multiplier upon the timely exercise of the option.

Quarterly Options Series

The term “Quarterly Option Series” means a series in an options class that is approved for listing and trading on the Exchange in which the series is opened for trading on any business day and that expires at the close of business on the last business day of a calendar quarter pursuant to the Quarterly Options Series Program provisions of Rule 5.5(e) or 24.9(a)(2).

Quote and Quotation

The terms “quote” and “quotation” mean a bid or offer entered by a Market-Maker, which is firm and updates the Market-Maker’s previous bid or offer, if any, and which the Market-Maker may update in block quantities.

Regular Trading Hours

The term “Regular Trading Hours” has the meaning set forth in Rule 6.1.

Reporting Authority

The term “reporting authority” with respect to a particular index means the institution or reporting service designated by the Exchange as the official source for calculating the level

of the index from the reported prices of the underlying securities that are the basis of the index and reporting such level.

Restructuring Transaction

The term “Restructuring Transaction” means the restructuring of the Exchange from a non-stock corporation to a stock corporation and wholly owned subsidiary of Cboe Global Markets, Inc.

Rules

The term “Rules” means the Rules of the Exchange, as they may be in effect from time to time.

Rules of the Clearing Corporation and Rules of OCC

The terms “Rules of the Clearing Corporation” and “Rules of OCC” mean the Certificate of Incorporation, the By-laws and the Rules of the Clearing Corporation, and all written interpretations thereof, as they may be in effect from time to time.

Security Future-Option Order

A security future-option order, which shall be deemed a type of Inter-regulatory Spread Order, is an order to buy or sell a stated number of units of a security future or a related security convertible into a security future (“convertible security future”) coupled with either (a) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of the underlying for the security future or convertible security future or the number of units of the underlying for the security future or convertible security future necessary to create a delta neutral position or (b) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price and expiration date, and each representing the same number of the underlying for the security future or convertible security future, as and on the opposite side of the market from, the underlying for the security future or convertible security future portion of the order.

Series and Series of Options

The terms “series” and “series of options” mean all option contracts of the same class that are the same type of option and have the same exercise price and expiration date.

Short Term Option Series

The term “Short Term Option Series” means a series in an option class that is approved for listing and trading on the Exchange in which the series is opened for trading pursuant to the Short Term Option Series Program provisions of Rule 5.5(d) or 24.9(a)(2).

Short Position

The term “short position” means a person’s interest as the writer of one or more option contracts.

Sponsored User

The term “Sponsored User” has the meaning set forth in Rule 6.20A.

Stock-Option Order

A stock-option order is an order to buy or sell a stated number of units of an underlying or a related security coupled with either (a) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying or related security or the number of units of the underlying security necessary to create a delta neutral position or (b) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price and expiration date, and each representing the same number of units of stock as, and on the opposite side of the market from, the underlying or related security portion of the order. For purposes of electronic trading, the term “stock-option order” has the meaning set forth in Rule 6.53C.

System and Hybrid Trading System

The terms “System” and “Hybrid Trading System” mean (a) the Exchange’s hybrid trading platform that allows Market-Makers to submit electronic quotes in their appointed classes and (b) any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub.

TPH Department

The term “TPH Department” means the department or division of the Exchange (which may be referred to by the Exchange from time to time by a name other than TPH Department) that has the functions set forth in the Rules for the TPH Department.

Trading Permit

The term “Trading Permit” means a license issued by the Exchange that grants the holder or the holder’s nominee the right to access one or more of the facilities of the Exchange for the purpose of effecting transactions in securities traded on the Exchange without the services of another person acting as broker, and otherwise to access the facilities of the Exchange for purposes of trading or reporting transactions or transmitting orders or quotations in securities traded on the Exchange, or to engage in other activities that, under the Rules, may only be engaged in by Trading Permit Holders, provided that the holder or the holder’s nominee, as applicable, satisfies any applicable qualification requirements to exercise those rights. A Trading Permit conveys no ownership interest in the Exchange, is only be

available through the Exchange, and is subject to the terms and conditions set forth in Rule 3.1.

Trading Permit Holder and TPH

The terms “Trading Permit Holder” and “TPH” have the meaning set forth in the Bylaws.

Trading Session

The term “trading session” means the hours during which the Exchange is open for trading for Regular Trading Hours or Global Trading Hours, each as set forth in Rule 6.1.

Transaction and Exchange Transaction

The terms “transaction” and “Exchange transaction” mean a transaction involving an option contract effected on or through the Exchange or its facilities or systems.

Trust Issued Receipt or TIR

The terms “Trust Issued Receipt” and “TIR” mean a security that (a) is issued by a trust that holds specific securities deposited with the trust; (b) when aggregated in some specified minimum number, may be surrendered to the trust by the beneficial owner to receive the securities; and (c) pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

Type of Option

The term “type of option” means the classification of an option contract as either a put or a call.

UIT Interest

The term “UIT interest” means any share, unit, or other interest in or relating to a unit investment trust, including any component resulting from the subdivision or separation of the interest. Interests in unit investment trusts sponsored by SuperShare Services Corporation and known as SuperShares™ and SuperUnits™ are UIT interests. There are four types of SuperShares: Appreciation SuperShares™, Priority SuperShares™, Protection SuperShares™ and Income and Residual SuperShares™. There are two types of SuperUnits: Index Trust SuperUnits™ and Money Market Trust SuperUnits™. The terms SuperShare, SuperUnit, Appreciation SuperShare, Priority SuperShare, Protection SuperShare, Income and Residual SuperShare, Index Trust SuperUnit and Money Market Trust SuperUnit are trademarks of SuperShare Services Corporation.

Uncovered

The term “uncovered” in respect of a short position in an option contract means the short position is not covered.

Underlying Security

The term “underlying security,” with respect to an equity call (put) option contract, means the security that the Clearing Corporation must sell (purchase) upon the valid exercise of the option contract.

Unit or ETF

The terms “Unit” and “ETF” (Exchange-Traded Fund) mean shares or other securities traded on a national securities exchange and defined as an NMS stock as set forth in Rule 5.3, Interpretation and Policy .06.

Unit of Trading

The term “unit of trading” is defined in Rule 6.40.

Voluntary Professional

The term “Voluntary Professional” means any person or entity that is not a broker or dealer in securities that elects, in writing, to be treated in the same manner as a broker or dealer in securities for purposes of Rules 6.2, 6.8, 6.9, 6.25, 6.45 (except for Interpretation and Policy .02), 6.47, 6.53C(c)(ii), 6.53C(d)(v) and Interpretation and Policy .06(b) and (c), 6.74 (except Voluntary Professional orders may be considered public customer orders subject to facilitation under paragraphs (b) and (d)), 6.74A, 6.74B, 8.13, 8.15(d), 8.87, and 24.19, and for cancellation fee treatment.

Web CRD

The term “Web CRD” means the Central Registration Depository operated by FINRA.

... Interpretations and Policies:

.01 Except as noted below, each order of any order type counts as one order for Professional order counting purposes.

(a) Complex Orders:

- (1) A complex order comprised of eight (8) legs or fewer counts as a single order;
- (2) A complex order comprised of nine (9) legs or more counts as multiple orders with each option leg counting as its own separate order;

(b) “Parent”/”Child” Orders:

(1) Same Side and Same Series: A “parent” order that is placed for the beneficial account(s) of a person or entity that is not a broker or dealer in securities that is broken into multiple “child” orders on the same side (buy/sell) and series as the “parent” order by a broker or dealer, or by an algorithm housed at a broker or dealer or by an algorithm licensed from a broker or dealer, but which is housed with the customer, counts as one order even if the “child” orders are routed across multiple exchanges.

(2) Both Sides and/or Multiple Series: A “parent” order (including a strategy order) that is broken into multiple “child” orders on both sides (buy/sell) of a series and/or multiple series counts as multiple orders, with each “child” order counting as a new and separate order.

(c) Cancel/Replace:

(1) Except as provided in paragraph (c)(2) below, any order that cancels and replaces an existing order counts as a separate order (or multiple new orders in the case of a complex order comprised of nine (9) legs or more).

(2) Same Side and Same Series: An order that cancels and replaces any “child” order resulting from a “parent” order that is placed for the beneficial account(s) of a person or entity that is not a broker, or dealer in securities that is broken into multiple “child” orders on the same side (buy/sell) and series as the “parent” order by a broker or dealer, by an algorithm housed at a broker or dealer, or by an algorithm licensed from a broker or dealer, but which is housed with the customer, does not count as a new order.

(3) Both Sides and/or Multiple Series: An order that cancels and replaces any “child” order resulting from a “parent” order (including a strategy order) that generates “child” orders on both sides (buy/sell) of a series and/or in multiple series counts as a new order.

(4) Pegged Orders: Notwithstanding the provisions of paragraph (c)(2) above, an order that cancels and replaces any “child” order resulting from a “parent” order being “pegged” to the BBO or NBBO or that cancels and replaces any “child” order pursuant to an algorithm that uses BBO or NBBO in the calculation of “child” orders and attempts to move with or follow the BBO or NBBO of a series counts as a new order each time the order cancels and replaces in order to attempt to move with or follow the BBO or NBBO.

Rule 1.2. Exchange Determinations

The Exchange announces to Trading Permit Holders all determinations it makes pursuant to the Rules via (a) specifications, Notices, or Regulatory Circulars with appropriate advanced notice, which will be posted on the Exchange’s website, (b) electronic message, or (c) other

communication method as provided in the Rules. To the extent the Rules provide the Exchange will announce a determination via Regulatory Circular, the Exchange may announce such determination via Notice.

CHAPTER II. FEES AND OTHER CHARGES

Rule 2.1. Trading Permit Holder Fees and Charges

The Exchange fixes, from time to time, fees and charges payable by Trading Permit Holders, which except as otherwise provided are due and payable in full on the first day of each month on a nonrefundable basis and applied to the month beginning on that day. The Exchange may, on the request of a Trading Permit Holder who is serving on active duty in the U.S. Armed Forces, waive any fees and charges during the period of such service.

Rule 2.2. Liability for Payment

(a) With regard to a Trading Permit Holder or associated person that does not pay any fees, charges, fines or other amounts due to the Exchange within 30 days after the same has become due and payable, the Exchange may, after giving reasonable notice to the Trading Permit Holder or associated person of such arrearages, suspend the Trading Permit Holder or associated person from being a Trading Permit Holder, being associated with any Trading Permit Holder, or both until payment is made. Should payment not be made by a Trading Permit Holder within six months after payment is due, any Trading Permit held by that Trading Permit Holder may be revoked by the Exchange.

(b) With regard to a former Trading Permit Holder or associated person that does not pay any fees, charges, fines or other amounts due to the Exchange within 30 days after the same has become payable, the Exchange may, after giving reasonable notice to the former Trading Permit Holder or associated person of such arrearages, bar the former Trading Permit Holder or associated person from becoming a Trading Permit Holder, an associated person, or both until payment is made.

(c) Reasonable notice under this Rule includes, but is not limited to, service on a Trading Permit Holder's or associated person's address as it appears on the books and records of the Exchange either by (1) hand delivery or (2) deposit in the U.S. post office, postage prepaid via registered or certified mail.

(d) The Exchange reports to Web CRD any suspension or bar imposed pursuant to this Rule.

Rule 2.3. Exchange's Costs of Defending Legal Proceedings

Any Trading Permit Holder or person associated with a Trading Permit Holder who fails to prevail in a lawsuit or other legal proceeding instituted by such person against the Exchange or any of its directors, officers, committee members, other officials, employees, contractors, or agents, or any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents, and related to the business of the Exchange, [shall]must pay to the Exchange all reasonable expenses,

including attorneys' fees, incurred by the Exchange in the defense of such proceeding, but only in the event that such expenses exceed \$50,000. This provision does not apply to disciplinary actions by the Exchange, to administrative appeals of Exchange actions, or in any specific instance where the Exchange has granted a waiver of this provision.

Rule 2.4. Regulatory Revenues

The Exchange may not use any revenues it receives from fees derived from its regulatory function or regulatory fines for non-regulatory purposes, but rather must use them to fund the legal and regulatory operations of the Exchange (including surveillance and enforcement activities), or, as the case may be, to pay restitution and disgorgement of funds intended for customers (except in the event of liquidation of the Exchange, in which case Cboe Global Markets, Inc. will be entitled to the distribution of the remaining assets of the Exchange).]

* * * * *

[Rule 3.23. Integrated Billing System

Every Trading Permit Holder must designate a Clearing Trading Permit Holder for the payment of the Trading Permit Holder's Exchange invoices and vendor invoices for Exchange-related services designated by the Exchange by means of the Exchange's integrated billing system ("IBS"). The designated Clearing Trading Permit Holder shall pay to the Exchange on a timely basis any amount that is not disputed pursuant to IBS procedures by the Trading Permit Holder who is directly involved. Such payments shall be drafted by the Exchange against the designated Clearing Trading Permit Holder's account at the Clearing Corporation. The Clearing Corporation shall have no liability in connection with its forwarding to the Exchange each month a check representing the total amount that the Exchange advises the Clearing Corporation is owed to the Exchange.]

* * * * *

[Rule 6.1. Days and Hours of Business

(a) Regular Trading Hours.

(1) Options on Securities. Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, Regular Trading Hours during which transactions in options on individual stocks, ETFs, ETNs, and other securities may be made on the Exchange correspond to the normal business days and hours set forth in the rules of the primary market currently trading the securities underlying Exchange options, except for options on ETFs, ETNs, Index Portfolio Shares, Index Portfolio Receipts, and Trust Issued Receipts the Exchange designates to remain open for trading beyond 3:00 p.m. (Central time ("CT")) but in no case later than 3:15 p.m. (CT).

(2) Options on Indexes. Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, Regular Trading

Hours during which transactions in options on indexes may be made on the Exchange are set forth in Rule 24.6.

(3) Other Options. Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, transactions in the following options may be made on the Exchange in accordance with the following Rules:

Option	Rule
Range Options	20.2
Government Securities Options	21.10.01
Binary Options	22.2
FLEX Options	24A.2
Corporate Debt Security Options	28.9
Credit Options	29.11

(b) Global Trading Hours. Except under unusual conditions as may be determined by the Exchange, Global Trading Hours are from 2:00 a.m. (CT) to 8:15 a.m. (CT) on Monday through Friday. The Exchange may determine whether to operate during Global Trading Hours and may designate which options are eligible for trading during that trading session (as set forth in Rule 6.1A).

(c) Holidays. The Exchange is not open for business on New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day. When any holiday observed by the Exchange falls on a Saturday, the Exchange is not open for business on the preceding Friday, and when any holiday observed by the Exchange falls on a Sunday, the Exchange is not open for business on the following Monday, unless unusual business conditions exist at the time.]

Rule 6.1A. Global Trading Hours

[(a) Applicability of Rules. All Rules of the Exchange apply to trading during Global Trading Hours except as set forth in this Rule and except for Rules that by their terms are inapplicable during Global Trading Hours or where the context otherwise requires.

(b) Electronic Trading Only. Trading during Global Trading Hours is electronic only on the Hybrid Trading System. The Hybrid 3.0 Platform is not available, and there is no open outcry trading on the floor, during Global Trading Hours. If in accordance with the Rules an order would route to PAR, the order entry firm's booth or otherwise for manual

handling, the System will return the order to the Trading Permit Holder during Global Trading Hours.

(c) Eligibility. The Exchange may designate as eligible for trading during Global Trading Hours any exclusively listed index option designated for trading under Rules 24.2 and 24.9. The following options are approved for trading on the Exchange during Global Trading Hours:

(i) Standard & Poor's 500 Stock Index (SPX)

(ii) Cboe Volatility Index® (VIX®)

(iii) (Mini-SPX Index (XSP)

Any series in these classes that are expected to be open for trading during Regular Trading Hours will be open for trading during Global Trading Hours on that same trading day (subject to Rules 6.2 and 24.13, Interpretation and Policy .03). FLEX options (pursuant to Chapter XXIVA) will not be eligible for trading during Global Trading Hours.]

(d) – (e) No change.

[(f) Orders. All order types that are available for electronic processing during Regular Trading Hours and as otherwise determined by the Exchange will be available for trading during Global Trading Hours except market orders, market-on-close orders, stop orders and good-til-cancelled orders.

(g) Book. The Regular Trading Hours Book is not connected to the Global Trading Hours Book. Orders and quotes in the Regular Trading Hours Book are not displayed in the Global Trading Hours Book, and vice versa. Orders and quotes submitted during Regular Trading Hours do not trade against orders and quotes submitted during Global Trading Hours, and vice versa. A separate Complex Order Book (COB) is used during Global Trading Hours in accordance with Rule 6.53C(c) and not connected to the COB used during Regular Trading Hours. The System cancels all orders and quotes remaining on the Global Trading Hours Book and COB at the end of an Global Trading Hours session.

(h) Compliance with Rules. The business conduct rules set forth in Chapter IV of these Rules apply during Global Trading Hours.

(i) Exchange Determinations. To the extent the Rules allow the Exchange to make a determination, including on a class-by-class or series-by-series basis, the Exchange may make a determination for Global Trading Hours that differs from that made for Regular Trading Hours. The Exchange will announce all determinations under this Rule 6.1A via Regulatory Circular.

(j) Disclosure. No Trading Permit Holder may accept an order from a customer for execution during Global Trading Hours without disclosing to that customer that trading during Global Trading Hours involves material trading risks, including the possibility of

lower liquidity, high volatility, changing prices, an exaggerated effect from news announcements, wider spreads, the absence of an updated underlying index or portfolio value or intraday indicative value and lack of regular trading in the securities underlying the index or portfolio and any other relevant risk. The disclosures required pursuant to this Rule may take the following form or such other form as provides substantially similar information:

(i) Risk of Lower Liquidity. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders and quotes that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity during Global Trading Hours as compared to Regular Trading Hours, including fewer Market-Makers quoting during Global Trading Hours. As a result, your order may only be partially executed, or not at all.

(ii) Risk of Higher Volatility. Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility during Global Trading Hours as compared to Regular Trading Hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price during Global Trading Hours as compared to Regular Trading Hours.

(iii) Risk of Changing Prices. The prices of securities traded during Global Trading Hours may not reflect the prices either at the end of Regular Trading Hours, or upon the opening of Regular Trading Hours the next business day. As a result, you may receive an inferior price during Global Trading Hours as compared to Regular Trading Hours.

(iv) Risk of News Announcements. Normally, issuers make news announcements that may affect the price of their securities after Regular Trading Hours. Similarly, important financial information is frequently announced outside of Regular Trading Hours. These announcements may occur during Global Trading Hours, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(v) Risk of Wider Spreads. The spread refers to the difference between the price for which you can buy a security and the price for which you can sell it. Lower liquidity and higher volatility during Global Trading Hours may result in wider than normal spreads for a particular security.

(vi) Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value (“IIV”) and Lack of Regular Trading in Securities Underlying Indexes. For certain products, an updated underlying index or portfolio value or IIV will not be calculated or publicly disseminated during Global Trading Hours. Since the underlying index or portfolio value and IIV are

not calculated or widely disseminated during Global Trading Hours, an investor who is unable to calculate implied values for certain products during Global Trading Hours may be at a disadvantage to market professionals. Additionally, securities underlying the indexes or portfolios will not be regularly trading as they are during Regular Trading Hours, or may not be trading at all. This may cause prices during Global Trading Hours to not reflect the prices of those securities when they open for trading.

(k) Index Values. While it may not be calculated and disseminated at all times during Global Trading Hours, current values of VIX will be widely disseminated at least once every fifteen (15) seconds by the Options Price Reporting Authority or one or more major market vendors during that trading session. No current index value underlying any other index option trading during Global Trading Hours will be disseminated during or at the close of that trading day.]

* * * * *

[Rule 6.7. Exchange Liability Disclaimers and Limitations

(a) Neither the Exchange nor any of its directors, officers, committee members, other officials, employees, contractors, or agents, nor any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents (“Covered Persons”) shall be liable to the Trading Permit Holders or to persons associated therewith for any loss, expense, damages or claims that arise out of the use or enjoyment of the facilities afforded by the Exchange, any interruption in or failure or unavailability of any such facilities, or any action taken or omitted to be taken in respect to the business of the Exchange except to the extent such loss, expense, damages or claims are attributable to the willful misconduct, gross negligence, bad faith or fraudulent or criminal acts of the Exchange or its officers, employees or agents acting within the scope of their authority. Without limiting the generality of the foregoing, and subject to the same exception, no Covered Person shall have any liability to any person or entity for any loss, expense, damages or claims that result from any error, omission or delay in calculating or disseminating any current or closing index value, any current or closing value of interest rate options, or any reports of transactions in or quotations for options or other securities, including underlying securities. The Exchange makes no warranty, express or implied, as to results to be obtained by any person or entity from the use or enjoyment of the facilities afforded by the Exchange, including without limitation, of any data transmitted or disseminated by or on behalf of the Exchange or any reporting authority designated by the Exchange, including but not limited to any data described in the preceding sentence, and the Exchange makes no express or implied warranties of merchantability or fitness for a particular purpose or use with respect to any such data. The foregoing limitations of liability and disclaimers shall be in addition to, and not in limitation of, the provisions of Article Eighth of the Exchange’s Certificate of Incorporation or any limitations otherwise available under law.

(b) Whenever custody of an unexecuted order or quote is transmitted by a Trading Permit Holder to or through the Exchange’s Hybrid System, or to any other facility of the Exchange

whereby the Exchange assumes responsibility for the transmission or execution of the order or quote, provided that the Exchange has acknowledged receipt of such order or quote, the Exchange may, in its sole discretion, compensate one or more Trading Permit Holders for their losses alleged to have resulted from the failure to process an order or quote correctly due to the acts or omissions of the Exchange or due to the failure of its systems or facilities (each, a “Loss Event”), subject to the following limits:

- (i) As to any one or more requests for compensation made by a single Trading Permit Holder that arose out of one or more Loss Events occurring on a single trading day, the Exchange may compensate the Trading Permit Holder up to but not exceeding the larger of \$100,000 or the amount of any recovery obtained by the Exchange under any applicable insurance maintained by the Exchange;
- (ii) As to the aggregate of all requests for compensation made by all Trading Permit Holders that arose out of one or more Loss Events occurring on a single trading day, the Exchange may compensate the Trading Permit Holders, in the aggregate, up to but not exceeding the larger of \$250,000 or the amount of the recovery obtained by the Exchange under any applicable insurance maintained by the Exchange;
- (iii) As to the aggregate of all requests for compensation made by all Trading Permit Holders that arose out of one or more Loss Events occurring during a single calendar month, the Exchange may compensate the Trading Permit Holders, in the aggregate, up to but not exceeding the larger of \$500,000 or the amount of the recovery obtained by the Exchange under any applicable insurance maintained by the Exchange.

A Trading Permit Holder may not make a request for compensation under this Rule for less than \$100. Losses incurred on the same trading day and arising out of the same underlying act or omission of the Exchange or failure of the Exchange’s systems or facilities may be aggregated to meet the \$100 minimum. Nothing in this Rule shall obligate the Exchange to seek recovery under any applicable insurance policy.

(c) Notice of all requests for compensation pursuant to this Rule shall be in writing and must be submitted no later than 12:00 p.m. CT on the next business day following the Loss Event giving rise to such requests. All requests shall be in writing and must be submitted along with supporting documentation by 5:00 p.m. CT on the third business day following the Loss Event giving rise to each such request. Additional information related to the request as demanded by the Exchange is also required to be provided. The Exchange shall not consider requests for which timely notice and submission have not been provided as required under this paragraph (c).

(d) If all of the timely requests submitted pursuant to paragraph (c) above that are granted cannot be fully satisfied because in the aggregate they exceed the applicable maximum amount of payments authorized in paragraph (b) above, then such maximum amount shall be allocated among all such requests arising on a single trading day or during a single calendar month, as applicable, based upon the proportion that each such request bears to the sum of all such requests.

(e) In determining whether to make payment of a request pursuant to paragraph (b) above, the Exchange may determine whether the amount requested should be reduced based on the actions or inactions of the requesting Trading Permit Holder, including, without limitation, whether the actions or inactions of the Trading Permit Holder contributed to the Loss Event; whether the Trading Permit Holder made appropriate efforts to mitigate its loss; whether the Trading Permit Holder realized any gains as a result of a Loss Event; whether the losses of the Trading Permit Holder, if any, were offset by hedges of positions either on the Exchange or on another affiliated or unaffiliated market; and whether the Trading Permit Holder provided sufficient information to document the request and as demanded by the Exchange.

(f) All determinations made pursuant to this Rule by the Exchange shall be final and not subject to appeal under Chapter XIX of the Rules or otherwise. Nothing in this Rule, nor any payment pursuant to this Rule, shall in any way limit, waive or proscribe any defenses a Covered Person may have to any claim, demand, liability, action or cause of action, whether such defense arises in law or equity, or whether such defense is asserted in a judicial, administrative, or other proceeding.

(g) This Rule shall be effective as of July 1, 2015 (the “Effective Date”). No claim for liability under any previous version of this Rule shall be valid if brought with respect to any acts, omissions or transactions occurring more than one year prior to the Effective Date of this Rule, or if brought more than one month after the Effective Date of this Rule.

Rule 6.7A. Legal Proceedings Against the Exchange

No Trading Permit Holder or person associated with a Trading Permit Holder shall institute a lawsuit or other legal proceeding against the Exchange or any of its directors, officers, committee members, other officials, employees, contractors, or agents, or any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents, for actions taken or omitted to be taken in connection with the official business of the Exchange or any subsidiary or affiliate, except to the extent such actions or omissions constitute violations of the federal securities laws for which a private right of action exists. This provision shall not apply to appeals of disciplinary actions or other actions by the Exchange as provided for in the Rules.]

* * * * *

[Rule 6.15. Limitation on the Liability of Index Licensors for Options on Units

(a) The term “index licensor” as used in this rule refers to any entity that grants the Exchange a license to use one or more indexes or portfolios in connection with the trading of options on Units (as defined in Interpretation .06 to Rule 5.3).

(b) No index licensor with respect to any index pertaining to Units underlying an option traded on the Exchange makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of such index, any opening, intra-day or closing value therefor, or any data included therein or relating thereto, in connection with the trading of any option contract on Units based thereon or for any other purpose. The

index licensor shall obtain information for inclusion in, or for use in the calculation of, such index from sources it believes to be reliable, but the index licensor does not guarantee the accuracy or completeness of such index, any opening, intra-day or closing value therefor, or any data included therein or related thereto. The index licensor hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any such index, any opening, intra-day or closing value therefor, any data included therein or relating thereto, or any option contract on Units based thereon. The index licensor 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 therefor, any data included therein or relating thereto, or any option contract on Units based thereon, or arising out of any errors or delays in calculating or disseminating such index.]

* * * * *

[Rule 6.40. Unit of Trading

The unit of trading in each series of options dealt in on the Exchange shall be the unit of trading established for that series by the Clearing Corporation pursuant to the Rules of the Clearing Corporation and the agreements of the Exchange with the Clearing Corporation.]

Rule 6.41. Meaning of Premium Bids and Offers

[(a) General. Except as provided in paragraph (b), bids and offers shall be expressed in terms of dollars per unit of the underlying security. (e.g., a bid of "7" shall represent a bid of \$700 for an option contract having a unit of trading consisting of 100 shares of an underlying security, or a bid of \$770 for an option contract having a unit of trading consisting of 110 shares of an underlying security.)

(b) Special cases. Bids and offers for an option contract for which an adjusted unit of trading has been established in accordance with Rule 5.7 shall be expressed in terms of dollars per .01 part of the total securities and/or other property constituting such adjusted unit of trading. (e.g., an offer of "6" shall represent an offer of \$600 on an option contract having a unit of trading consisting of 100 shares of an underlying security plus 10 rights.)

(c) Mini-options. Bids and offers for an option contract overlying 10 shares shall be expressed in terms of dollars per 1/10th part of the total value of the contract. An offer of ".50" shall represent an offer of \$5.00 for an option contract having a unit of trading consisting of 10 shares.]

... Interpretations and Policies:

.01 No change.

[Rule 6.42. Minimum Increments for Bids and Offers

(a) Simple Orders. The minimum increments for bids and offers on simple orders for options traded on the Exchange are as follows:

Class	Increment	Series Trading Price
Class Not Participating in Penny Pilot Program (including all series of VIX options if the Exchange does not list VIX on a group basis pursuant to Rule 8.14) and series of VIX Options not listed under the Nonstandard Expirations Pilot Program (if the Exchange lists VIX on a group basis pursuant to Rule 8.14)	\$0.05	Lower than \$3.00
	\$0.10	\$3.00 and higher
Class Participating in Penny Pilot Program	\$0.01	Lower than \$3.00
	\$0.05	\$3.00 and higher
QQQs, IWM, and SPY, and Mini-SPX Index Options (XSP) (as long as SPDR options (SPY) participate in the Penny Pilot Program)	\$0.01	All prices
Series of VIX Options listed under the Nonstandard Expirations Pilot Program (if the Exchange lists VIX on a group basis pursuant to Rule 8.14)	\$0.01	All prices
Options on the Dow Jones Industrial Average (DJX), as long as Diamonds options (DIA) participate in the Penny Pilot Program	\$0.01	Lower than \$3.00
	\$0.05	\$3.00 and higher
Mini-Options	Same as permitted for standard options on the same security	

(b) Complex Orders. Except as provided in Rule 6.53C, the minimum increment for bids and offers on complex orders is \$0.01 or greater, which may be determined by the Exchange on a class-by-class basis and announced to Trading Permit Holders via Regulatory Circular. Notwithstanding the foregoing sentence, the minimum increment for bids and offers on complex orders in options on the S&P 500 Index (SPX) or on the S&P 100 Index (OEX and XEO), except for box/roll spreads, is \$0.05 or greater, or in any increment, which may be determined by the Exchange on a class-by-class basis and announced to Trading Permit Holders via Regulatory Circular. In addition:

(i) the legs of a complex order may be executed in \$0.01 increments; and

(ii) complex orders are subject to special priority requirements as described in Rules 6.45, 6.53C, 24.19 and 24.20.

. . . Interpretations and Policies:

.01 Reserved

.02 For purposes of this rule, “box/roll spread” or “box spread” means an aggregation of positions in a long call option and short put option with the same exercise price (“buy side”) coupled with a long put option and short call option with the same exercise price (“sell side”) all of which have the same aggregate current underlying value, and are structured as either: (A) a “long box spread” in which the sell side exercise price exceeds the buy side exercise price or (B) a “short box spread” in which the buy side exercise price exceeds the sell side exercise price.

.03 When the Exchange determines to change the minimum increment for a class, the Exchange will designate such change as a stated policy, practice, or interpretation with respect to the administration of Rule 6.42 within the meaning of subparagraph (3)(A) of subsection 19(b) of the Act and will file a rule change for effectiveness upon filing with the Commission.

.04 The Exchange may replace any option class participating in the Penny Pilot Program that has been delisted with the next most actively traded, multiply listed option class, based on national average daily volume in the preceding six calendar months, that is not yet included in the Pilot Program. Any replacement class would be added on the second trading day in the first month of each quarter. The Penny Pilot will expire on June 30, 2019.]

* * * * *

[Rule 6.44. Bids and Offers in Relation to Units of Trading

Subject to Rule 8.7 and Interpretations and Policies thereto, bids or offers made on the floor shall be deemed to be for one option contract unless a specific number is expressed in the bid or offer. A bid or offer for more than one option contract which is not made all-or-none shall be deemed to be for that amount or any lesser number of option contracts. An all-or-none bid or offer shall be deemed to be made only for the amount stated.

. . . *Interpretations and Policies:*

.01 A bid or offer may be made and a transaction executed on an all-or-none basis if the all-or-none bid or offer represents the only bid or offer available at the best price in the market at the time the all-or-none bid or offer is executed. An all-or-none order may not be crossed with another all-or-none order unless all bids or offers at the same price at which the cross is to be effected have been filled. If two or more all-or-none bids or offers represent the only bids or offers at the best price in the market, priority shall be afforded to such all-or-none bids or offers in the sequence in which they are made.

.02 The Exchange has determined that all-or-none bids or offers will not be disseminated by the Exchange as market quotes for any option series. Furthermore, any number of transactions of any size may appear on the tape at the same price as specified on an all-or-none order without the all-or-none order participating, and any number of transactions of a size less than the size of an all-or-none order may appear on the tape at a price lower than the all-or-none bid or at a price higher than an all-or-none offer.

.03 The Exchange may restrict the entry of all-or-none orders in one or more classes or series of options whenever, in its judgment, the interests of maintaining a fair and orderly market are best served.

.04 Fill-or-kill orders and bids or offers made on a fill-or-kill basis shall be deemed to be all-or-none for purposes of Rule 6.44.

.05 A minimum volume order bid or offer shall be deemed to have been made for the full size of the order or any lesser number of option contracts that is at least equal to the minimum volume specified. Minimum volume orders and bids and offers made on a minimum volume basis shall be deemed to be all-or-none for purposes of Interpretations and Policies .01 and .03 above. To the extent available pursuant to Rule 6.53, minimum volume orders may only be made available by the Exchange for open outcry trading.]

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[Rule 6.53. Availability of Orders

Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following order types are available on a class-by-class and system-by-system basis.

AIM Sweep or AIM ISO

An “AIM Sweep” order or “AIM ISO” is a pair of orders a Trading Permit Holder submits to AIM pursuant to Rule 6.74A without regard for better-priced Protected Bids/Offer, while simultaneously submitting an ISO(s) to execute against the displayed size of any Protected Bid/Offer and bid/offer on the Book that is better than the starting AIM auction price. Any execution(s) resulting from such sweeps accrues to the AIM Agency Order.

All-or-None

An “All-or-None” order is an order that must be executed in its entirety or not at all.

Attributable

An “Attributable” order is an order a user designates for display (price and size) that includes the users firm ID or other unique identifier.

Cboe Options Only

A “Cboe Options Only” order is an order the System handles and executes (in whole or in part) pursuant to Rules 6.13 and 6.45 or cancels if it would route away to another exchange pursuant to the Rules.

Combination Order

A “combination order” is an order involving a number of call option contracts and the same number of put option contracts in the same underlying security. In the case of adjusted option contracts, a combination order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares at option.

Day

The term “Day” means, for an order so designated, an order that, if not executed, expires at the close of trading.

Electronic Only

An “Electronic Only” order is an order that may only be handled or executed (in whole or in part) via electronic processing on the Exchange without the order routing to a PAR workstation or an order management terminal for manual handling on the trading floor; the System cancels an Electronic-Only order if it would route for manual handling pursuant to the Rules.

Facilitation

A “Facilitation” order is an order that may only be executed in a crossing transaction against an order for a Public Customer of a Trading Permit Holder.

Fill-or-Kill or FOK

The terms “Fill-or-Kill” or “FOK” mean, for an order so designated, an order that must execute in its entirety as soon as the System receives it and, if not so executed, is cancelled.

Good-til-Cancelled or GTC

The terms “Good-til-Cancelled” or “GTC” mean, for an order so designated, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) unless cancelled by the entering User, or until the option expires, whichever comes first.

Immediate-or-Cancel or IOC

The terms “Immediate-or-Cancel” or “IOC” mean, for an order so designated, a limit order that must execute in whole or in part as soon as it is represented on the trading floor or received by the System; the System cancels an IOC order (or unexecuted portion) not executed immediately.

Intermarket Sweep Order or ISO

An “Intermarket Sweep Order” or “ISO” is an order that has the meaning provided in Rule 6.80, which may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges (*i.e.*, may trade through Protected Quotations). The Exchange relies on the marking of an order by a User as an ISO order when handling such order, and thus, it is the entering Trading Permit Holder’s responsibility, not the Exchange’s responsibility, to comply with the requirements relating to ISOs. The System will book an ISO not designated as immediate-or-cancel.

Limit Order

A “limit order” is an order to buy or sell a stated number of option contracts at a specified price or better. A limit order to buy (sell) is marketable when, at the time it enters the System or is represented on the trading floor, the order is equal to or higher (lower) than the then-current offer (bid).

Market-on-Close or MOC

A “Market-on-Close” or “MOC” order is a market or limit order to be executed as close as possible to the close of the market near to or at the closing price for the particular option series.

Market Order

A “market order” is an order to buy or sell a stated number of option contracts at the best price available at the time of execution in the System or on the trading floor.

Market-if-Touched or MIT

A “Market-if-Touched” or “MIT” order is an order to buy (sell) that becomes a market order when the option contract trades at or below (above) the price specified in the order.

Market-Maker Trade Prevention

A “Market-Maker Trade Prevention” order is an IOC order that a Trading Permit Holder marks with the Market-Maker Trade Prevention designation. If a Market-Maker Trade Prevention order would trade against a resting quote or order for the same Market-Maker, the System cancels the order as well as the resting quote or order (unless the System

receives the Market-Maker Trade Prevention order while an order for the same Market-Maker is subject to an auction pursuant to Rule 6.14A, 6.74A, or 6.74B, in which case the System only cancels the Market-Maker Trade Prevention order).

Minimum Volume

A “Minimum Volume” order is an order that requires a specified minimum quantity of contracts to be executed on the trading floor. To the extent there is any remaining balance of a minimum volume order after the minimum volume is executed, the remaining balance will no longer have a minimum volume contingency and may be represented on the trading floor or submitted to the System for execution, unless the user cancels the remaining balance. A minimum volume order with a minimum volume size equal to the full size of the original order is considered an all-or-none order.

Not Held

A “Not Held” order is an order marked “not held,” “take time,” or with any other qualifying notation and provides a Floor Broker with discretion with respect to the price or time at which the order is to be executed. An order received by a Floor Broker is considered a “Not Held” order unless the Floor Broker’s customer specifies otherwise or if the Exchange initially received the order electronically and subsequently routed the order to a Floor Broker or PAR Official pursuant to the entry firm’s routing instructions. Users must Not Held order and held orders in a form and manner prescribed by the Exchange, which will be announced via Regulatory Circular.

Opening Rotation or OPG

The terms “Opening Rotation” and “OPG” order mean, for an order so designated, an order that may only participate in the opening process pursuant to Rule 6.2; the System cancels an OPG order (or unexecuted portion) that does not execute during the opening process.

Reserve Order

A “Reserve Order” is a limit order with both a portion of the quantity displayed and a reserve portion of the quantity not displayed. Both the displayed and nondisplayed portions of the Reserve Order are available for potential execution against incoming orders. If the displayed portion of a Reserve Order is fully executed, the System will replenish the displayed portion from the nondisplayed portion up to the size of the original displayed amount. The System creates a new timestamp for the displayed portion each time it is replenished from reserve, while the nondisplayed portion retains its original timestamp.

Qualified Contingent Cross or QCC

A “Qualified Contingent Cross” or “QCC” order consists of an initiating order to buy (sell) at least 1,000 standard option contracts or 10,000 mini-option contracts that is

identified as being part of a qualified contingent trade coupled with a contra-side order or orders totaling an equal number of contracts. QCC orders with one option leg may only be entered in the standard increments applicable to simple orders in the options class under Rule 6.42, and QCC orders with more than one option leg may be entered in the increments specified for complex orders under Rule 6.42. For purposes of QCC orders:

(1) A “qualified contingent trade” is a transaction consisting of two or more component orders, executed as agent or principal, where:

(A) at least one component in an NMS stock;

(B) all components are effected with a product or price contingency that either has been agreed to by all the respective counterparties or arranged for by a broker-dealer as principle or agent;

(C) the execution of one component is contingent upon the execution of all other components at or near the same time;

(D) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined by the time the contingent order is placed;

(E) the component orders bear a derivative relationship to one another, represent different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or cancelled; and

(F) the transaction is fully hedged (without regard to any prior existing position) as a result of other components of the contingent trade.

(2) QCC orders may execute without exposure provided the execution (A) is not at the same price as a Public Customer order resting in the Book and (B) is at or between the NBBO. The System will cancel a QCC order if it cannot be executed.

(3) A “QCC with Stock” order is a QCC order entered with a stock component that the Exchange will electronically communicate to a designed broker-dealer for execution on behalf of the submitting Trading Permit Holder pursuant to Rule 6.53C, Interpretation and Policy .06(g).

Ratio Order

A “ratio order” is a spread, straddle, or combination order in which the stated number of option contracts to buy (sell) is not equal to the stated number of option contracts to sell (buy), provided that the number of contracts differ by a permissible ratio. For purposes of this section, a permissible ratio is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00). For example, a one-to-two (.5) ratio, a

two-to- three (.667) ratio, or a two-to-one (2.00) ratio is permissible, whereas a one-to-four (.25) ratio or a four-to-one (4.0) ratio is not.

Spread Order

A “spread order” is an order to buy a stated number of option contracts and to sell the same number of option contracts, or contracts representing the same number of shares at option, of the same class of options.

Stop (Stop-Loss)

A “Stop (Stop-Loss)” order is an order to buy (sell) that becomes a market order when the Exchange last sale price or Exchange best bid (offer) for a particular option contract is equal to or above (below) the specified stop price.

Stop-Limit

A “Stop-Limit” order is an order to buy (sell) that becomes a limit order when the Exchange last sale price or best bid (offer) for a particular option contract is equal to or above (below) the specified stop price.

Straddle Order

A “straddle order” is an order to buy a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date; or an order to sell a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date. (E.g., an order to buy two XYZ July 50 calls and to buy two July 50 XYZ puts is a straddle order.) In the case of adjusted option contracts, a straddle order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares at option.

Sweep and AIM

A “Sweep and AIM” order is a pair of orders a Trading Permit Holder submits to AIM pursuant to Rule 6.74A with an auction starting price that does not need to be within the BBO and where the Exchange will “sweep” all Protected Bids/Offer (as defined in Rule 6.80) by routing one or more ISOs, as necessary, to execute against the full displayed size of any Protected Bid/Offer that is better than the starting AIM auction price, as well as sweep all interest in the Exchange’s book priced better than the proposed auction starting price concurrent with the commencement of the AIM auction, with any execution(s) resulting from such sweeps accruing to the AIM Agency Order.]

* * * * *

[Rule 20.2. Days and Hours of Business

Transactions in Range Options may be effected during normal Exchange option trading hours for other options on the same index.]

* * * * *

[Rule 20.5. Limitation of Liability of Exchange and of Reporting Authority

(a) Rule 6.7 shall be applicable in respect of any class of Range Options.

(b) Rule 24.14 shall be applicable in respect of any reporting authority that is the source of values of any index underlying any class of Range Options.]

* * * * *

[Rule 20.10. Premium Bids and Offers; Minimum Increments

(a) All bids or offers made for Range Option contracts shall be deemed to be for one contract unless a specific number of option contracts is expressed in the bid or offer. A bid or offer for more than one option contract, which is not made all-or-none, shall be deemed to be for that amount or any lesser number of option contracts. An all-or-none bid or offer shall be deemed to be made only for the amount stated.

(b) All bids or offers made for Range Option contracts shall be governed by the Rule 24.8.]

* * * * *

[Rule 21.10. Days and Hours of Business

Except under unusual conditions as may be determined by the Exchange, the hours during which Government securities options transactions may be made on the Exchange shall correspond to the hours during which underlying Government securities are normally traded. Government securities option trading shall normally end at 2:00 p.m. (Chicago time).]

* * * * *

[Rule 21.13. Meaning of Premium Bids and Offers (Treasury Bonds and Notes)

Bids and offers for Government securities options shall be expressed in thirty-seconds of a point (one point being equal to one percent of the principal amount of the underlying security), unless a different fraction of a point shall have been approved for this purpose by the Board (or its designee) for all Government securities options or a Government security option contract of a particular series.

Rule 21.13 replaces Rules 6.41 and 6.42.]

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[Rule 22.2. Days and Hours of Business

Transactions in binary options overlying any broad-based index may be effected during normal Exchange option trading hours for other options on the same broad-based index.]

* * * * *

[Rule 22.5. Limitation of Liability of Exchange and of Reporting Authority

(a) Rule 6.7 shall be applicable in respect of any class of binary options.

(b) Rule 24.14 shall be applicable in respect of any reporting authority that is the source of values of any broad-based index underlying any class of binary options.]

* * * * *

Rule 22.13. Premium Bids and Offers; Minimum Increments; Priority and Allocation

[(a) All bids or offers made for binary option contracts shall be deemed to be for one contract unless a specific number of option contracts is expressed in the bid or offer. A bid or offer for more than one option contract which is not made all-or-none shall be deemed to be for that amount or any lesser number of option contracts. An all-or-none bid or offer shall be deemed to be made only for the amount stated.

(b) All bids or offers made for binary option contracts relating to an underlying broad-based index shall be governed by Rules 6.41, 6.42, 6.44, 6.45 and 24.8, as applicable. The minimum price variation ("MPV") shall be established on a class-by-class basis by the Exchange and shall not be less than \$0.01.]

* * * * *

[Rule 23.6. Days and Hours of Business

The Board of Directors resolved that, except under unusual conditions as may be determined by the Board or its designee, transactions in interest rate options may be effected on the Exchange between the hours of 7:20 a.m. Chicago time and 2:00 p.m. Chicago time except for rotations as necessary.

Rule 23.7. Reserved

Reserved]

* * * * *

[Rule 23.9. Meaning of Premium—Bids and Offers

Bids and offers shall be expressed in terms of dollars and fractions or dollars and decimals per unit of the measure, for example, a bid of 4 1/2 and a bid of 4.50 would each

represent a bid of \$4.50 per unit. However, bids and offers for options series subject to decimal pricing shall only be expressed in terms of dollars and decimals.]

* * * * *

[Rule 23.14. Limitation of Liability of Reporting Authority

(a) No reporting authority in respect of an interest rate measure shall have any liability for damages, claims, losses or expenses caused by any errors, omissions or delays in collecting or disseminating the current or closing value of interest rate option contracts resulting from an act, condition or cause beyond their reasonable control, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; communications or power failure; equipment or software malfunction; any error; omission or delay in the reports of transactions in one or more underlying securities; or any error, omission or delay in the reports of the current value.

(b) No reporting authority makes any warranty, express or implied, as to results to be obtained by any person or any entity from the use of the interest rate measures or any data included therein in connection with trading or any other use; the reporting authority makes no express or implied warranties of merchantability or fitness for a particular purpose for use with respect to the interest rate measures or any data included therein.]

* * * * *

[Rule 24.6. Days and Hours of Business

(a) Transactions in index options may be effected on the Exchange during the Regular Trading Hours of 8:30 a.m. Chicago time to 3:15 p.m. Chicago time. The Exchange may also authorize transactions in certain index options to be effected on the Exchange during Global Trading Hours as set forth in Rule 6.1A. With respect to options on foreign indexes, the Exchange will determine the days and hours of business.

(b) Transactions in the following index options may be effected on the Exchange during the Regular Trading Hours of 8:30 a.m. Chicago time to 3:00 p.m. Chicago time:

(i) S&P Transportation Index.

(ii) S&P Retail Index.

(iii) S&P Health Care Index.

(iv) S&P Banking Index.

(v) S&P Insurance Index.

(vi) S&P Chemical Index.

(vii) Cboe Software Index.

- (viii) Cboe Environmental Index.
- (ix) Cboe Biotech Index.
- (x) Cboe Gaming Index.
- (xi) Cboe Telecommunications Index.
- (xii) Cboe Global Telecommunications Index.
- (xiii) Cboe REIT Index.
- (xiv) [Reserved.]
- (xv) Cboe Automotive Index.
- (xvi) Cboe Internet Index.
- (xvii) Cboe Oil Index.
- (xviii) Cboe Gold Index.
- (xix) Cboe Computer Networking Index.
- (xx) Cboe PC Index.
- (xxi) GSTI Composite Index.
- (xxii) Dow Jones Transportation Average.
- (xxiii) Dow Jones Utility Average.
- (xxiv) Dow Jones High Yield Select 10 Index.
- (xxv) Dow Jones E*Commerce Index.
- (xxvi) Cboe Euro 25 Index.
- (xxvii) Cboe Asian 25 Index.
- (xxviii) Cboe China Index
- (xxix) Cboe PowerPacks SM Bank Index
- (xxx) Cboe PowerPacks SM Biotechnology Index
- (xxxii) Cboe PowerPacks SM Gold Index
- (xxxii) Cboe PowerPacks SM Internet Index

- (xxxiii) Cboe PowerPacks SM Iron & Steel Index
- (xxxiv) Cboe PowerPacks SM Oil Index
- (xxxv) Cboe PowerPacks SM Oil Services Index
- (xxxvi) Cboe PowerPacks SM Pharmaceuticals Index
- (xxxvii) Cboe PowerPacks SM Retail Index
- (xxxviii) Cboe PowerPacks SM Semiconductor Index
- (xxxix) Cboe PowerPacks SM Technology Index (xl) Cboe Options PowerPacks SM Telecom Index
- (xli) ETF Based Volatility Indexes
- (xlii) S&P Financial Select Sector Index (SIXM)
- (xliii) S&P Energy Select Sector Index (SIXE)
- (xliv) S&P Technology Select Sector Index (SIXT)
- (xlv) S&P Health Care Select Sector Index (SIXV)
- (xlvi) S&P Utilities Select Sector Index (SIXU)
- (xlvii) S&P Consumer Staples Select Sector Index (SIXR)
- (xlviii) S&P Industrials Select Sector Index (SIXI)
- (xlix) S&P Consumer Discretionary Select Sector Index (SIXY)
- (l) S&P Materials Select Sector Index (SIXB)
- (li) S&P Real Estate Select Sector Index (SIXRE)
- (lii) S&P Communication Services Select Sector Index (SIXC)

. . . Interpretations and Policies:

.01 On the last trading day, transactions in expiring Quarterly Index Expirations (QIXs) may be effected on the Exchange during Global Trading Hours and during the Regular Trading Hours of 8:30 a.m. (Chicago time) to 3:00 pm (Chicago time). This Interpretation and Policy .01 applies to all outstanding expiring QIXs that expire at the end of the second calendar quarter in 2009 and thereafter.

.02 Transactions in ETF Based Volatility Index options may be effected on the Exchange between the hours of 8:30 a.m. (Chicago time) and 3:15 p.m. (Chicago time), except that

if the closing time for the index components (i.e., Cboe Options listed ETF options) is earlier than 3:15 p.m. (Chicago time), the earlier closing time shall apply.

.03 On their last trading day, transactions in expiring Cboe S&P 500 AM/PM Basis options may be effected on the Exchange between the hours of 8:30 a.m. (Chicago time) and 3:00 p.m. (Chicago time).

.04 On their last trading day, transactions in expiring P.M.-settled S&P 500 Index options (P.M.-settled third Friday-of-the-month SPX options series) and P.M.-settled XSP options may be effected on the Exchange between the hours of 8:30 a.m. (Chicago time) and 3:00 pm (Chicago time).

.05 On their last trading day, transactions in expiring FTSE Developed Europe Index options may be effected on the Exchange between the hours of 8:30 a.m. (Chicago time) and the close of the London Stock Exchange (usually 10:30 a.m. Chicago time). The last day of trading for expiring MSCI EAFE Index options series and MSCI Emerging Markets Index options series will be the business day prior to the expiration date of the specific series

.06 With respect to options on a foreign index that is comprised of component securities trading in a single country, the Exchange may determine not to open the options for trading when the component securities of the foreign index are not trading due to a holiday on the foreign exchange(s) at which the component securities trade. At least once a year in January, the Exchange will announce via Regulatory Circular the days on which options on a particular foreign index will be closed pursuant to this interpretation.]

* * * * *

Rule 24.8. Meaning of Premium Bids and Offers

[Bids and offers shall be expressed in terms of dollars and fractions or dollars and decimals per unit of the index (e.g., a bid of 85 1/2 and a bid of 85.50 would each represent a bid of \$85.50 per unit). However, bids and offers for option series subject to decimal pricing shall only be expressed in terms of dollars and decimals.]

. . . Interpretations and Policies:

.01 No change.

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[Rule 24.14. Disclaimers

No reporting authority with respect to any index underlying an option traded on the Exchange, no affiliate of such reporting authority (each such reporting authority and its affiliates are referred to collectively as the “Reporting Authority”), and no other entity identified in this Rule makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of such index, any opening, intra-day or

closing value therefor, or any data included therein or relating thereto, in connection with the trading of any option contract based thereon or for any other purpose. The Reporting Authority or any other entity identified in this Rule 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 or any other entity identified in this Rule does not guarantee the accuracy or completeness of such index, any opening, intra-day or closing value therefor, or any date included therein or related thereto. The Reporting Authority and any other entity identified in this Rule 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 therefor, any data included therein or relating thereto, or any option contract based thereon. The Reporting Authority and any other entity identified in this Rule 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 therefor, any data included therein or relating thereto, or any option contract based thereon, or arising out of any errors or delays in calculating or disseminating such index. The foregoing disclaimers shall apply to Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") in respect to the S&P Indexes, Frank Russell Company in respect to the Russell Indexes, The NASDAQ Stock Market, Inc. in respect to the Nasdaq Indexes, Morgan Stanley Dean Witter & Co. Incorporated in respect of the Morgan Stanley Indexes, Dow Jones and Company, Inc. in respect to the Dow Jones Averages and any other Dow Jones Indexes, Goldman, Sachs & Co. in respect to the Goldman Sachs Indexes; to the foregoing Reporting Authorities in respect to any other indexes for which they act as the designated Reporting Authority; to the Exchange in respect to the indexes for which it is the designated Reporting Authority; and to any other Reporting Authority in respect to any index for which it acts as such.]

* * * * *

[Rule 24A.2. Hours of Trading]

FLEX transactions may be effected during normal Exchange option trading hours on any business day; provided, however, that the Board in its discretion at any time may determine to narrow or otherwise restrict the times set for FLEX Options trading.]

* * * * *

[Rule 28.9. Days and Hours of Business]

The Exchange has resolved that except under unusual conditions as may be determined by the Exchange, hours during which Corporate Debt Security options transactions may be made on the Exchange shall be from 8:30 a.m. to 3:00 p.m. Chicago time.]

* * * * *

[Rule 28.11. Meaning of Premium Bids and Offers]

Bids and offers for Corporate Debt Security options shall be expressed in points where one point equals \$1,000 and the minimum tick is .05 (\$50), unless a different trading increment shall have been approved for this purpose by the Exchange for all Corporate Debt Security options or a Corporate Debt Security option contract of a particular series.

Rule 28.11 replaces, for purposes of Chapter XVIII, Rules 6.41 and 6.42.]

* * * * *

[Rule 29.10. Disclaimers

The term “reporting authority” as used in this rule refers to the Exchange or any other entity identified by the Exchange as the “reporting authority” in respect of a class of Credit Options for purposes of the By-Laws and Rules of the Clearing Corporation and any affiliate of the Exchange or any such other entity. No reporting authority makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of any Credit Option. Any reporting authority hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any Credit Option. Any 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 relating to any Credit Option, including without limitation as a result of any error, omission or delay in confirming, or disseminating notice of, any Credit Event, any determination to adjust or not to adjust the terms of outstanding Credit Options, or any other determination with respect to Credit Options for which it has responsibility under the By-Laws and Rules of the Clearing Corporation.

Rule 29.11. Days and Hours of Business

The Exchange has resolved that except under unusual conditions as may be determined by the Exchange, the hours during which Credit Options transactions may be made on the Exchange shall be from 8:30 a.m. to 3:00 p.m. (CT).]

* * * * *

Rule 29.14. Premium Bids and Offers; Minimum Increments; Priority and Allocation

[(a) Bids and offers shall be expressed in terms of dollars per the contract multiplier unit (e.g., a bid of “7” shall represent a bid of \$7,000 for a Credit Option with a specified contract multiplier of 1,000).

(b) The minimum price variation (“MPV”) for bids and offers on both simple and complex orders for Credit Default Options and Credit Default Basket Options shall be established on a class- by-class basis by the Exchange and shall not be less than \$0.01.

(c) All bids or offers made for Credit Option contracts shall be deemed to be for one contract unless a specific number of option contracts is expressed in the bid or offer. A

bid or offer for more than one option contract shall be deemed to be for the amount thereof or a smaller number of option contracts.]

* * * * *

EXHIBIT 5B

(additions are underlined; deletions are [bracketed])

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Rules of Cboe Exchange, Inc.

(effective as of October 7, 2019)

* * * * *

CHAPTER 1. GENERAL PROVISIONS**Section A. Definitions****Rule 1.1. Definitions**

When used in these Rules, unless the context otherwise requires:

ABBO

The term “ABBO” means the best bid(s) or offer(s) disseminated by other Eligible Exchanges (as defined in Rule 5.65) and calculated by the Exchange based on market information the Exchange receives from OPRA.

Adjusted Option Series

The term “adjusted option series” means a series in which, as a result of a corporate action by the issuer of the underlying security, one option contract in the series represents the delivery of other than 100 shares of the underlying security.

Affiliate and Affiliated with

The terms “affiliate” of and a person “affiliated with” another person mean a person who, directly or indirectly, controls, is controlled by, or is under common control with, such other person.

Aggregate Exercise Price

The term “aggregate exercise price” means the exercise price of an option contract multiplied by (a) for equity options, the number of units of the underlying security or (b) for index options, the index multiplier for the underlying index covered by the option contract.

All Sessions Class

The term “All Sessions class” means an options class the Exchange lists for trading during both GTH and RTH.

American-Style Option

The term “American-style option” means an option contract that, subject to the provisions of Rule 6.20 and to the Rules of the Clearing Corporation, may be exercised on any business day prior to and on its expiration date.

Application Programming Interface and API

The terms “Application Programming Interface” and “API” mean the computer interface that allows Users to interface electronically with the Exchange.

Associated Person and Person Associated with a Trading Permit Holder

The terms “associated person” and “person associated with a Trading Permit Holder” mean any partner, officer, director, or branch manager of a Trading Permit Holder (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with a Trading Permit Holder, or any employee of a Trading Permit Holder.

BBO

The term “BBO” means the best bid or offer disseminated on the Exchange.

Bid

The term “bid” means the price of a limit order or quote to buy one or more options contracts.

Board

The term “Board” means the Board of Directors of the Exchange.

Book and Simple Book

The terms “Book” and “Simple Book” mean the electronic book of simple orders and quotes maintained by the System, which single book is used during both the RTH and GTH trading sessions.

Broker-Dealer

The term “broker-dealer” means a Trading Permit Holder, a non-Trading Permit Holder broker or dealer in securities (including a foreign broker-dealer), or a joint venture with a Trading Permit Holder and non-Trading Permit Holder participants.

Broker-Dealer Order

The term “broker-dealer order” means an order for an account in which a broker-dealer or a Professional has an interest.

Business Day and Trading Day

The terms “business day” and “trading day” mean a day on which the Exchange is open for trading during Regular Trading Hours. A business day or trading day includes both trading sessions on that day. If the Exchange is not open for Regular Trading Hours on a day, then it will not be open for Global Trading Hours on that day.

Bylaws

The term “Bylaws” means the Bylaws of the Exchange, as amended from time to time.

Call

The term “call” means an option contract under which the holder of the option has the right, in accordance with the terms of the option and the Rules of the Clearing Corporation, to purchase from the Clearing Corporation (a) for equity options, the number of units of the underlying security covered by the option contract, at a price per unit equal to the exercise price, or (b) for index options, the current index value times the index multiplier upon the timely exercise of the option.

Capacity

The term “Capacity” means the capacity in which a User submits an order, which the User specifies by applying the corresponding code to the order, and includes:

<u>Code</u>	<u>Capacity Type</u>
<u>B</u>	<u>For the account of a broker or dealer, including a Foreign Broker-Dealer</u>
<u>C</u>	<u>For the account of a Public Customer</u>
<u>F</u>	<u>For an OCC clearing member firm proprietary account</u>
<u>J</u>	<u>For a joint back office account</u>

<u>L</u>	<u>For the account of a non-Trading Permit Holder affiliate</u>
<u>M</u>	<u>For the account of a Market-Maker</u>
<u>N</u>	<u>For the account of a market-maker on another options exchange</u>
<u>U</u>	<u>For the account of a Professional</u>

Capped-Style Option

The term “capped-style option” means an option contract that is automatically exercised when (a) for equity options, the cap price is reached or (b) for index options, the cap price is less (greater) than or equals the closing index value for calls (puts). If this does not occur prior to expiration, it may be exercised, subject to the provisions of Rule 11.1 and to the Rules of the Clearing Corporation, only on its expiration date. CAPS™ refers to capped-style options traded on the Exchange.

Cboe Trading

The term “Cboe Trading” means Cboe Trading, Inc.

Class

The term “class” means all option contracts with the same unit of trading covering the same underlying security or index.

Clearing Corporation and OCC

The terms “Clearing Corporation” and “OCC” mean The Options Clearing Corporation.

Clearing Trading Permit Holder

The term “Clearing Trading Permit Holder” means a Trading Permit Holder that has been admitted to membership in the Clearing Corporation pursuant to the provisions of the Rules of the Clearing Corporation and is self-clearing or that clears transactions for other Trading Permit Holders.

Closing Purchase Transaction

The term “closing purchase transaction” means an Exchange transaction that reduces or eliminates a short position in an option contract.

Closing Writing Transaction

The term “closing writing transaction” means an Exchange transaction that reduces or eliminates a long position in an option contract.

Complex Order

The term “complex order” means an order involving the concurrent execution of two or more different series in the same class (the “legs” or “components” of the complex order), for the same account, occurring at or near the same time and for the purpose of executing a particular investment strategy with no more than the applicable number of legs (which number the Exchange determines on a class-by-class basis). The Exchange determines in which classes complex orders are eligible for processing. Unless the context otherwise requires, the term complex order includes stock-option order and security future-option order. For purposes of electronic trading, the term “complex order” has the meaning set forth in Rule 5.33. For purposes of Rules 5.4, 5.85, 5.86, and 5.87, the term “complex order” means a spread order, combination order, straddle order, or ratio order (each as defined in Rule 5.6), a stock-option order, a security future-option order, or a complex order as defined in Rule 5.33.

Control

The term “control” means the power to exercise a controlling influence over the management or policies of a person, unless that power is solely the result of an official position with the person. Any person who owns beneficially, directly or indirectly, more than 20% of the voting power in the election of directors of a corporation, or more than 25% of the voting power in the election of directors of any other corporation that directly or through one or more affiliates owns beneficially more than 25% of the voting power in the election of directors of the corporation, is presumed to control the corporation.

Covered

The term “covered” in respect of a short position in a call option contract means that the writer’s obligation is secured by a “specific deposit” or an “escrow deposit” meeting the conditions of Rule 610(f) or 610(h), respectively, of the Rules of the Clearing Corporation, or the writer holds in the same account as the short position, on a share-for-share basis, a long position either in the underlying security or in an option contract of the same class of options where the exercise price of the option contract in such long position is equal to or less than the exercise price of the option contract in such short position. The term “covered” in respect of a short position in a put option contract means that the writer holds in the same account as the short position, on a share-for-share basis, a long position in an option contract of the same class of options where the exercise price of the option contract in such long position is equal to or greater than the exercise price of the option contract in such short position.

Customer

The term “customer” means a Public Customer or a broker-dealer.

Customer Order

The term “customer order” means an agency order for the account of a customer.

DEA

The term “DEA” means designated examining authority.

Designated Primary Market-Maker and DPM

The terms “Designated Primary Market-Maker” and “DPM” have the meaning set forth in Rule 3.53.

Discretion

The term “discretion” means the authority of a broker or dealer to determine for a Customer the type of option, class or series of options, the number of contracts, or whether options are to be bought or sold.

DPM Designee

The term “DPM Designee” has the meaning set forth in Rule 3.54.

EFID

The term “EFID” means an Executing Firm ID.

Equity Option

The term “equity option” means an option on an equity security (including Units (or ETFs) and Index-Linked Securities (or ETNs)).

European-Style Option

The term “European-style option” means an option contract that, subject to the provisions of Rule 6.20 and to the Rules of the Clearing Corporation, may be exercised only on its expiration date.

Exchange or Cboe Options

The terms “Exchange” or “Cboe Options” mean Cboe Exchange, Inc.

Exchange Act

The term “Exchange Act” means the Securities Exchange Act of 1934, as amended, and Rules and Regulations thereunder.

Executive Officer

The term “executive officer” of a TPH organization means the chairman of the board, president, executive vice president, any other vice president engaged in the management of the TPH organization’s business pertaining to options, treasurer, secretary, or any other person who performs for a TPH organization functions corresponding to those performed by the foregoing officers.

Exercise Price

The term “exercise price” means the specified price per unit at which (a) for equity options, the underlying security or (b) for index options, the current index value may be purchased or sold upon the exercise of an option contract.

Expiration Date

Unless separately defined elsewhere in the Rules, the term “expiration date” means the third Friday of the expiration month of an option contract, or if t Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business.

Federal Reserve Board

The term “Federal Reserve Board” means the Board of Governors of the Federal Reserve System.

FINRA

The term “FINRA” means the Financial Industry Regulatory Authority, Inc.

Floor Broker

The term “Floor Broker” has the meaning set forth in Rule 3.50.

Floor Official

The term “Floor Official” means an individual appointed by the Exchange who is granted certain duties and authorities under the Rules with respect to trading issues and market actions.

Foreign Broker-Dealer

The term “foreign broker-dealer” means any person or entity that is registered, authorized, or licensed by a foreign governmental agency or foreign regulatory organization (or is required to be so registered, authorized, or licensed) to perform the function of a broker or

dealer in securities, or both. For the purposes of this definition, the terms “broker” and “dealer” have the same meaning as provided in Section 3(a)(4) and 3(a)(5) of the Exchange Act, except that a “broker” or “dealer” may be a bank.

Global Trading Hours and GTH

The terms “Global Trading Hours” and “GTH” mean the trading session consisting of the hours outside of Regular Trading Hours during which transactions in options may be effected on the Exchange and are set forth in Rule 5.1.

Good Standing

The term “good standing” means that a Trading Permit Holder or associated person is not delinquent respecting Exchange fees or other charges and is not suspended or barred from being a Trading Permit Holder or from being associated with a Trading Permit Holder.

He, Him, and His

The terms “he,” “him,” and “his” will be deemed to refer to persons of female as well as male gender, and to include organizations, as well as individuals, when the context so requires.

In-Crowd Market Participant and ICMP

The terms “in-crowd market participant” and “ICMP” mean an in-crowd Market-Maker, an on-floor DPM or LMM with an allocation in a class, or a Floor Broker or PAR Official representing an order in the trading crowd on the trading floor.

Index Option

The term “index option” means an option on a broad-based, narrow-based, micro narrow-based, or other index of equity securities prices.

Index Portfolio Receipts and IPRs

The terms “index portfolio receipts” and “IPRs” mean securities that (a) represent an interest in a unit investment trust which holds the securities that comprise an index on which a series of IPRs is based; (b) are issued by the trust in a specified aggregate minimum number in return for a “Portfolio Deposit” consisting of specified numbers of shares of stock plus a cash amount; (c) when aggregated in the same specified minimum number, may be redeemed from the trust, which will pay to the redeeming holder the stock and cash then comprising the Portfolio Deposit; and (d) pay holders a periodic cash payment corresponding to the regular cash dividends or distributions declared and paid with respect to the component securities of the stock index on which the IPRs are based, less certain expenses and other charges as set forth in the trust prospectus. IPRs are “UIT interests” within the meaning of the Rules.

Index Portfolio Shares and IPSs

The terms “Index Portfolio Shares” and “IPSs” mean securities that (a) are issued by an open-end management investment company based on a portfolio of stocks or fixed income securities designed to provide investment results that correspond generally to the price and yield performance of a specified foreign or domestic stock index or fixed income securities index; (b) are issued by such an open-end management investment company in a specified aggregate minimum number in return for a deposit of specified number of shares of stock and/or a cash amount, or a specified portfolio of fixed income securities and/or a cash amount, with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder’s request by such open-end management investment company, which will pay to the redeeming holder stock and/or cash, or a specified portfolio of fixed income securities and/or cash with a value equal to the next determined net asset value.

Index-Linked Exchangeable Note

The term “Index-Linked Exchangeable Note” means an exchangeable debt security that is exchangeable at the option of the holder (subject to the requirement that the holder in most circumstances exchange a specified minimum amount of notes), on call by the issuer, or at maturity for a cash amount based on the reported market prices of the underlying stocks of an underlying index.

Index-Linked Security and ETN

The terms “Index-Linked Security” and “ETN” (Exchange-Traded Note) mean a share traded on a national securities exchange that is an NMS stock and represents ownership of a security that provides for payment at maturity as set forth in Rule 4.3.

Inter-Regulatory Spread Order

The term “inter-regulatory spread” order means an order involving the simultaneous purchase and/or sale of at least one unit in contracts each of which is subject to different regulatory jurisdictions at stated limits, or at a stated differential, or at market prices on the floor of the Exchange.

Lead Market-Maker and LMM

The terms “Lead Market-Maker” and “LMM” have the meaning set forth in Rule 3.55.

Limit Up-Limit Down State

The term “limit up-limit down state” has the meaning set forth in Rule 5.21.

Long Position

The term “long position” means a person’s interest as the holder of one or more option contracts.

Market Close

The term “market close” means the time the Exchange specifies for the end of a trading session on the Exchange on that trading day.

Market-Maker

The term “Market-Maker” means a Trading Permit Holder registered with the Exchange pursuant to Rule 3.52 for the purpose of making markets in option contracts traded on the Exchange and that has the rights and responsibilities set forth in Chapter 5, Section D of the Rules.

Market Open

The term “market open” means the time the Exchange specifies for the start of a trading session on the Exchange on that trading day.

Minimum Increment

The term “minimum increment” means the minimum increment at which Trading Permit Holders may represent bids and offers on options traded on the Exchange, as set forth in Rule 5.4.

NBB, NBO, and NBBO

The term “NBB” means the national best bid; the term “NBO” means the national best offer; and the term “NBBO” means the national best bid or offer the Exchange calculates based on market information it receives from OPRA.

NMS Stock

The term “NMS stock” has the meaning set forth in Rule 600 of Regulation NMS of the Exchange Act.

Nominee

The term “nominee” means an individual who is authorized by a TPH organization, in accordance with Rule 3.9, to represent such TPH organization in all matters relating to the Exchange.

Notional Value

The term “notional value” means the value calculated by multiplying the number of contracts (contract size multiplied by the contract multiplier) in an order by the order’s limit price.

OCC Cleared OTC Option Contract

The term “OCC cleared OTC option contract” means an over-the-counter option contract that is issued and guaranteed by OCC and, except as otherwise provided in the Rules, is not an option contract.

Offer

The term “offer” means the price of a limit order or quote to sell one or more option contracts.

OLPP

The term “OLPP” means the Options Listing Procedures Plan, which is available on OCC’s website.

Opening Purchase Transaction

The term “opening purchase transaction” means a transaction that creates or increases a long position in an option contract.

Opening Writing Transaction

The term “opening writing transaction” means a transaction that creates or increases a short position in an option contract.

OPRA

The term “OPRA” means the Options Price Reporting Authority.

Option(s) Contract

The term “option(s) contract” means a put or a call issued, or subject to issuance, by the Clearing Corporation pursuant to the Rules of the Clearing Corporation.

Options Principal

The term “Options Principal” means a person engaged in the management and supervision of the Trading Permit Holder’s business pertaining to option contracts that has responsibility

for the overall oversight of the Trading Permit Holder's options-related activities on the Exchange.

Order

The term "order" means a firm commitment to buy or sell option contracts. Order types are listed in Rule 5.6.

Order Entry Firm and OEF

The terms "Order Entry Firm" and "OEF" mean a Trading Permit Holder registered with the Exchange pursuant to Rule 3.51 for the purpose of representing as agent customer orders on the Exchange or a non-Market-Maker Trading Permit Holder conducting proprietary trading.

Order Instruction

The term "Order Instruction" has the meaning set forth in Rule 5.6.

Order Service Firm and OSF

The terms "order service firm" and "OSF" has the meaning set forth in Rule 3.59.

Outstanding

The term "outstanding" means an option contract that has been issued by the Clearing Corporation and has neither been the subject of a closing writing transaction nor reached its expiration date.

PAR Official

The term "PAR Official" has the meaning set forth in Rule 5.91.

Person

The term "Person" means an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust, or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

Preferred Market-Maker and PMM

The terms "Preferred Market-Maker" and "PMM" have the meaning set forth in Rule 3.56.

Primary Market

The term “primary market” means the primary exchange on which an underlying security is listed.

Principal Shareholder

The term “principal shareholder” means any person beneficially owning, directly or indirectly, equity securities representing at least 5% of the voting power in elections of directors, of the net worth, or participation in the net profits of a corporation.

Priority Customer

The term “Priority Customer” means a person or entity that is a Public Customer and is not a Professional.

Priority Customer Order

The term “Priority Customer order” means an order for the account of a Priority Customer.

Professional

The term “Professional” means any person or entity that (a) is not a broker or dealer in securities, and (b) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). Interpretation and Policy .01 to this Rule 1.1 describes how certain orders should be counted for Professional order counting purposes. The System handles Professional orders in the same manner as broker-dealer orders unless otherwise specified in the Rules. All Professional orders must be marked with the Capacity code required by this Rule 1.1.

Proprietary Trading Permit Holder

The term “Proprietary Trading Permit Holder” means a Trading Permit Holder who is authorized to obtain access to the System to submit proprietary orders that are not Market-Maker orders.

Protected Quotation

The term “Protected Quotation” means a Protected Bid or Protected Offer, as each of those terms is defined in Rule 5.65.

Public Customer

The term “Public Customer” means a person that is not a Broker-Dealer.

Public Customer Order

The term “Public Customer order” means an order for the account of a Public Customer.

Put

The term “put” means an option contract under which the holder of the option has the right, in accordance with the terms and provisions of the option and the Rules of the Clearing Corporation, to sell to the Clearing Corporation (a) for equity options, the number of units of the underlying security covered by the option contract, at a price per unit equal to the exercise price, or (b) for index options, the current index value times the index multiplier upon the timely exercise of the option.

Quote and Quotation

The terms “quote” and “quotation” mean a firm bid or offer a Market-Maker (a) submits electronically (including to update any of its previous quotes), which may be updated in block quantities, or (b) represents in open outcry on the trading floor.

Regular Trading Hours and RTH

The terms “Regular Trading Hours” and “RTH” mean the trading session consisting of the regular hours during which transactions in options may be effected on the Exchange and are set forth in Rule 5.1.

Reporting Authority

The term “reporting authority” with respect to a particular index means the institution or reporting service (including any affiliates of that institution or reporting service) the Exchange designates as the official source for calculating the level of the index from the reported prices of the underlying securities that are the basis of the index and reporting such level.

Restructuring Transaction

The term “Restructuring Transaction” means the restructuring of the Exchange from a non-stock corporation to a stock corporation and wholly-owned subsidiary of Cboe Global Markets, Inc.

RTH Class

The term “RTH class” means an options class the Exchange lists for trading during RTH only.

Rules

The term “Rules” means the Rules of the Exchange, as they may be in effect from time to time.

Rules of the Clearing Corporation or Rules of OCC

The terms “Rules of the Clearing Corporation” or “Rules of OCC” mean the Certificate of Incorporation, the By-laws, and the Rules of the Clearing Corporation, and all written interpretations thereof, as they may be in effect from time to time.

SEC and Commission

The terms “SEC” and “Commission” mean the U.S. Securities and Exchange Commission.

Security Future-Option Order

A security future-option order, which shall be deemed a type of Inter-regulatory Spread Order, is an order to buy or sell a stated number of units of a security future or a related security convertible into a security future (“convertible security future”) coupled with either (a) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of the underlying for the security future or convertible security future or the number of units of the underlying for the security future or convertible security future necessary to create a delta neutral position or (b) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price and expiration date, and each representing the same number of the underlying for the security future or convertible security future, as and on the opposite side of the market from, the underlying for the security future or convertible security future portion of the order.

Series and Series of Options

The terms “series” and “series of options” mean all option contracts of the same class that are the same type of option and have the same exercise price and expiration date.

Short Position

The term “short position” means a person’s interest as the writer of one or more option contracts.

Size

The term “size” means the number of contracts up to 999,999 associated with an order or quote.

Sponsored User

The term “Sponsored User” has the meaning set forth in Rule 3.60.

SRO

The term “SRO” means a self-regulatory organization as defined in Section 3(a)(26) of the Exchange Act.

Stock-Option Order

A stock-option order is an order to buy or sell a stated number of units of an underlying or a related security coupled with either (a) the purchase or sale of option contract(s) on the opposite side of the market representing either the same number of units of the underlying or related security or the number of units of the underlying security necessary to create a delta neutral position or (b) the purchase or sale of an equal number of put and call option contracts, each having the same exercise price and expiration date, and each representing the same number of units of stock as, and on the opposite side of the market from, the underlying or related security portion of the order. For purposes of electronic trading, the term “stock-option order” has the meaning set forth in Rule 5.33.

System

The term “System” means the Exchange’s hybrid trading platform that integrates electronic and open outcry trading of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub.

System Securities

The term “System Securities” means all classes that currently trade on the Exchange pursuant to Chapter 4.

Time-in-Force

The term “Time-in-Force” has the meaning set forth in Rule 5.6.

Trade Desk

The term “Trade Desk” means the Exchange operations staff authorized to make certain trading determinations on behalf of the Exchange.

Trading Permit

The term “Trading Permit” means a license issued by the Exchange that grants the holder or the holder’s nominee the right to access one or more of the facilities of the Exchange for the

purpose of effecting transactions in securities traded on the Exchange without the services of another person acting as broker, and otherwise to access the facilities of the Exchange for purposes of trading or reporting transactions or transmitting orders or quotations in securities traded on the Exchange, or to engage in other activities that, under the Rules, may only be engaged in by Trading Permit Holders, provided that the holder or the holder's nominee, as applicable, satisfies any applicable qualification requirements to exercise those rights. A Trading Permit conveys no ownership interest in the Exchange, is only be available through the Exchange, and is subject to the terms and conditions set forth in Rule 3.1.

Trading Permit Holder and TPH

The terms "Trading Permit Holder" and "TPH" have the meaning set forth in the Bylaws.

Trading Session

The term "trading session" means the hours during which the Exchange is open for trading for Regular Trading Hours or Global Trading Hours (each of which may referred to as a trading session), each as set forth in Rule 5.1. Unless otherwise specified in the Rules or the context otherwise indicates, all Rules apply in the same manner during each trading session.

Transaction and Exchange Transaction

The terms "transaction" and "Exchange transaction" mean a transaction involving an option contract effected on or through the Exchange or its facilities or systems.

Trust Issued Receipt and TIR

The terms "Trust Issued Receipt" and "TIR" mean a security that (a) is issued by a trust that holds specific securities deposited with the trust; (b) when aggregated in some specified minimum number, may be surrendered to the trust by the beneficial owner to receive the securities; and (c) pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

Type of Option

The term "type of option" means the classification of an option contract as either a put or a call.

UIT Interest

The term "UIT interest" means any share, unit, or other interest in or relating to a unit investment trust, including any component resulting from the subdivision or separation of such an interest. Interests in unit investment trusts sponsored by SuperShare Services Corporation and known as SuperShares™ and SuperUnits™ are UIT interests. There are four types of SuperShares: Appreciation SuperShares™ Priority SuperShares™

Protection SuperShares™ and Income and Residual SuperShares™. There are two types of SuperUnits: Index Trust SuperUnits™ and Money Market Trust SuperUnits™. The terms SuperShare, SuperUnit, Appreciation SuperShare, Priority SuperShare, Protection SuperShare, Income and Residual SuperShare, Index Trust SuperUnit and Money Market Trust SuperUnit are trademarks of SuperShare Services Corporation.

Uncovered

The term “uncovered” in respect of a short position in an option contract means the short position is not covered.

Underlying Index

The term “underlying index” (or “underlying”), with respect to an index option, means the index that is the subject of an index option.

Underlying Security

The term “underlying security” (or “underlying”) means (a) with respect to an equity call (put) option contract, the security that the Clearing Corporation must sell (purchase) upon the valid exercise of the option contract, and (b) with respect to an index option, any of the securities or mutual funds that are the basis for the calculation of the underlying index.

Unit and ETF

The terms “Unit” and “ETF” (Exchange-Traded Fund) mean a share or other security traded on a national securities exchange and defined as an NMS stock as set forth in Rule 4.3.

Unit of Trading

The term “unit of trading” has the meaning set forth in Rule 5.2.

User

The term “User” means any TPH or Sponsored User who is authorized to obtain access to the System pursuant to Rule 5.5.

Web CRD

The term “Web CRD” means the Central Registration Depository operated by FINRA.

... Interpretations and Policies

.01 Except as noted below, each order of any order type counts as one order for Professional order counting purposes.

(a) *Complex Orders*. A complex order comprised of eight (8) legs or fewer counts as a single order, and a complex order comprised of nine (9) legs or more counts as multiple orders with each option leg counting as its own separate order.

(b) *“Parent”/“Child” Orders*.

(1) *Same Side and Same Series*. A “parent” order that is placed for the beneficial account(s) of a person or entity that is not a broker or dealer in securities that is broken into multiple “child” orders on the same side (buy/sell) and series as the “parent” order by a broker or dealer, or by an algorithm housed at a broker or dealer or by an algorithm licensed from a broker or dealer, but which is housed with the customer, counts as one order even if the “child” orders are routed across multiple exchanges.

(2) *Both Sides and/or Multiple Series*. A “parent” order (including a strategy order) that is broken into multiple “child” orders on both sides (buy/sell) of a series and/or multiple series counts as multiple orders, with each “child” order counting as a new and separate order.

(c) *Cancel/Replace*. Except as provided in paragraph (c)(1) below, any order that cancels and replaces an existing order counts as a separate order (or multiple new orders in the case of a complex order comprised of nine (9) legs or more).

(1) *Same Side and Same Series*. An order that cancels and replaces any “child” order resulting from a “parent” order that is placed for the beneficial account(s) of a person or entity that is not a broker, or dealer in securities that is broken into multiple “child” orders on the same side (buy/sell) and series as the “parent” order by a broker or dealer, by an algorithm housed at a broker or dealer, or by an algorithm licensed from a broker or dealer, but which is housed with the customer, does not count as a new order.

(2) *Both Sides and/or Multiple Series*. An order that cancels and replaces any “child” order resulting from a “parent” order (including a strategy order) that generates “child” orders on both sides (buy/sell) of a series and/or in multiple series counts as a new order.

(3) *Pegged Orders*. Notwithstanding the provisions of paragraph (c)(1) above, an order that cancels and replaces any “child” order resulting from a “parent” order being “pegged” to the BBO or NBBO or that cancels and replaces any “child” order pursuant to an algorithm that uses BBO or NBBO in the calculation of “child” orders and attempts to move with or follow the BBO or NBBO of a series counts as a new order each time the order cancels and replaces in order to attempt to move with or follow the BBO or NBBO.

Section B. Administrative Matters

Rule 1.5. Exchange Determinations

(a) The Exchange announces to Trading Permit Holders all determinations it makes pursuant to the Rules via:

(1) specifications, Notices, or Regulatory Circulars with appropriate advanced notice, which are posted on the Exchange's website, or as otherwise provided in the Rules;

(2) electronic message; or

(3) other communication method as provided in the Rules.

(b) To the extent the Rules allow the Exchange to make a determination, including on a class-by-class or series-by-series basis, the Exchange may make a determination for GTH that differs from the determination it makes for RTH.

Rule 1.6. Time

Unless otherwise specified, all times in the Rules are Eastern Time.

Section C. Exchange Liability and Disclaimers [and Liability]

Rule 1.10. Exchange Liability Disclaimers and Limitations

(a) Neither the Exchange nor any of its directors, officers, committee members, other officials, employees, contractors, or agents, nor any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents ("Covered Persons") shall be liable to the Trading Permit Holders or to persons associated therewith for any loss, expense, damages or claims that arise out of the use or enjoyment of the facilities afforded by the Exchange, any interruption in or failure or unavailability of any such facilities, or any action taken or omitted to be taken in respect to the business of the Exchange except to the extent such loss, expense, damages or claims are attributable to the willful misconduct, gross negligence, bad faith or fraudulent or criminal acts of the Exchange or its officers, employees or agents acting within the scope of their authority. Without limiting the generality of the foregoing, and subject to the same exception, no Covered Person shall have any liability to any person or entity for any loss, expense, damages or claims that result from any error, omission or delay in calculating or disseminating any current or closing index value, any current or closing value of interest rate options, or any reports of transactions in or quotations for options or other securities, including underlying securities. The Exchange makes no warranty, express or implied, as to results to be obtained by any person or entity from the use or enjoyment of the facilities afforded by the Exchange, including without limitation, of any data transmitted or disseminated by or on behalf of the Exchange or any reporting authority designated by the Exchange, including but not limited to any data described in the preceding sentence, and the

Exchange makes no express or implied warranties of merchantability or fitness for a particular purpose or use with respect to any such data. The foregoing limitations of liability and disclaimers shall be in addition to, and not in limitation of, the provisions of Article Eighth of the Exchange's Certificate of Incorporation or any limitations otherwise available under law.

(b) Whenever custody of an unexecuted order or quote is transmitted by a Trading Permit Holder to or through the Exchange's Hybrid System, or to any other facility of the Exchange whereby the Exchange assumes responsibility for the transmission or execution of the order or quote, provided that the Exchange has acknowledged receipt of such order or quote, the Exchange may, in its sole discretion, compensate one or more Trading Permit Holders for their losses alleged to have resulted from the failure to process an order or quote correctly due to the acts or omissions of the Exchange or due to the failure of its systems or facilities (each, a "Loss Event"), subject to the following limits:

(1) As to any one or more requests for compensation made by a single Trading Permit Holder that arose out of one or more Loss Events occurring on a single trading day, the Exchange may compensate the Trading Permit Holder up to but not exceeding the larger of \$100,000 or the amount of any recovery obtained by the Exchange under any applicable insurance maintained by the Exchange;

(2) As to the aggregate of all requests for compensation made by all Trading Permit Holders that arose out of one or more Loss Events occurring on a single trading day, the Exchange may compensate the Trading Permit Holders, in the aggregate, up to but not exceeding the larger of \$250,000 or the amount of the recovery obtained by the Exchange under any applicable insurance maintained by the Exchange; and

(3) As to the aggregate of all requests for compensation made by all Trading Permit Holders that arose out of one or more Loss Events occurring during a single calendar month, the Exchange may compensate the Trading Permit Holders, in the aggregate, up to but not exceeding the larger of \$500,000 or the amount of the recovery obtained by the Exchange under any applicable insurance maintained by the Exchange.

A Trading Permit Holder may not make a request for compensation under this Rule for less than \$100. Losses incurred on the same trading day and arising out of the same underlying act or omission of the Exchange or failure of the Exchange's systems or facilities may be aggregated to meet the \$100 minimum. Nothing in this Rule shall obligate the Exchange to seek recovery under any applicable insurance policy.

(c) Notice of all requests for compensation pursuant to this Rule shall be in writing and must be submitted no later than 1:00 p.m. Eastern Time on the next business day following the Loss Event giving rise to such requests. All requests shall be in writing and must be submitted along with supporting documentation by 6:00 p.m. Eastern Time on the third business day following the Loss Event giving rise to each such request. Additional information related to the request as demanded by the Exchange is also required to be

provided. The Exchange shall not consider requests for which timely notice and submission have not been provided as required under this paragraph (c).

(d) If all of the timely requests submitted pursuant to paragraph (c) above that are granted cannot be fully satisfied because in the aggregate they exceed the applicable maximum amount of payments authorized in paragraph (b) above, then such maximum amount shall be allocated among all such requests arising on a single trading day or during a single calendar month, as applicable, based upon the proportion that each such request bears to the sum of all such requests.

(e) In determining whether to make payment of a request pursuant to paragraph (b) above, the Exchange may determine whether the amount requested should be reduced based on the actions or inactions of the requesting Trading Permit Holder, including, without limitation, whether the actions or inactions of the Trading Permit Holder contributed to the Loss Event; whether the Trading Permit Holder made appropriate efforts to mitigate its loss; whether the Trading Permit Holder realized any gains as a result of a Loss Event; whether the losses of the Trading Permit Holder, if any, were offset by hedges of positions either on the Exchange or on another affiliated or unaffiliated market; and whether the Trading Permit Holder provided sufficient information to document the request and as demanded by the Exchange.

(f) All determinations made pursuant to this Rule by the Exchange shall be final and not subject to appeal under Chapter XIX of the Rules or otherwise. Nothing in this Rule, nor any payment pursuant to this Rule, shall in any way limit, waive or proscribe any defenses a Covered Person may have to any claim, demand, liability, action or cause of action, whether such defense arises in law or equity, or whether such defense is asserted in a judicial, administrative, or other proceeding.

(g) This Rule shall be effective as of July 1, 2015 (the “Effective Date”). No claim for liability under any previous version of this Rule shall be valid if brought with respect to any acts, omissions or transactions occurring more than one year prior to the Effective Date of this Rule, or if brought more than one month after the Effective Date of this Rule.

Rule 1.11. Limitation on Liability of Index Licensors for Options on Units

(a) The term “index licensor” as used in this rule refers to any entity that grants the Exchange a license to use one or more indexes or portfolios in connection with the trading of options on Units.

(b) No index licensor with respect to any index pertaining to Units underlying an option traded on the Exchange makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of such index, any opening, intra-day or closing value therefor, or any data included therein or relating thereto, in connection with the trading of any option contract on Units based thereon or for any other purpose. The index licensor shall obtain information for inclusion in, or for use in the calculation of, such index from sources it believes to be reliable, but the index licensor does not guarantee the accuracy or completeness of such index, any opening, intraday or closing value therefor, or

any data included therein or related thereto. The index licensor hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any such index, any opening, intraday or closing value therefor, any data included therein or relating thereto, or any option contract on Units based thereon. The index licensor 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, intraday or closing value therefor, any data included therein or relating thereto, or any option contract on Units based thereon, or arising out of any errors or delays in calculating or disseminating such index.

Rule 1.12. Limitation on Liability of Reporting Authorities for Indexes Underlying Options

No Reporting Authority, and no other entity identified in this Rule makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of such index, any opening, intraday or closing value therefor, or any data included therein or relating thereto, in connection with the trading of any option contract based thereon or for any other purpose. The Reporting Authority or any other entity identified in this Rule 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 or any other entity identified in this Rule does not guarantee the accuracy or completeness of such index, any opening, intra-day or closing value therefor, or any data included therein or related thereto. The Reporting Authority and any other entity identified in this Rule 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 therefor, any data included therein or relating thereto, or any option contract based thereon. The Reporting Authority and any other entity identified in this Rule 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 therefor, any data included therein or relating thereto, or any option contract based thereon, or arising out of any errors or delays in calculating or disseminating such index. The foregoing disclaimers shall apply to Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") in respect to the S&P Indexes, Frank Russell Company in respect to the Russell Indexes, The NASDAQ Stock Market, Inc. in respect to the Nasdaq Indexes, Morgan Stanley Dean Witter & Co. Incorporated in respect of the Morgan Stanley Indexes, Dow Jones and Company, Inc. in respect to the Dow Jones Averages and any other Dow Jones Indexes, Goldman, Sachs & Co. in respect to the Goldman Sachs Indexes; to the foregoing Reporting Authorities in respect to any other indexes for which they act as the designated Reporting Authority; to the Exchange in respect to the indexes for which it is the designated Reporting Authority; and to any other Reporting Authority in respect to any index for which it acts as such.

Rule 1.13. Limitation of Liability of Reporting Authority for Interest Rate Options

(a) No reporting authority in respect of an interest rate measure shall have any liability for damages, claims, losses or expenses caused by any errors, omissions or delays in collecting or disseminating the current or closing value of interest rate option contracts resulting from an act, condition or cause beyond their reasonable control, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; communications or power failure; equipment or software malfunction; any error; omission or delay in the reports of transactions in one or more underlying securities; or any error, omission or delay in the reports of the current value.

(b) No reporting authority makes any warranty, express or implied, as to results to be obtained by any person or any entity from the use of the interest rate measures or any data included therein in connection with trading or any other use; the reporting authority makes no express or implied warranties of merchantability or fitness for a particular purpose for use with respect to the interest rate measures or any data included therein.

Rule 1.14. Limitation of Liability of Reporting Authority for Credit Options

The term “reporting authority” as used in this rule refers to the Exchange or any other entity identified by the Exchange as the “reporting authority” in respect of a class of Credit Options for purposes of the By-Laws and Rules of the Clearing Corporation and any affiliate of the Exchange or any such other entity. No reporting authority makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of any Credit Option. Any reporting authority hereby disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any Credit Option. Any 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 relating to any Credit Option, including without limitation as a result of any error, omission or delay in confirming, or disseminating notice of, any Credit Event, any determination to adjust or not to adjust the terms of outstanding Credit Options, or any other determination with respect to Credit Options for which it has responsibility under the By-Laws and Rules of the Clearing Corporation.

Rule 1.15. Legal Proceedings Against the Exchange

No Trading Permit Holder or person associated with a Trading Permit Holder shall institute a lawsuit or other legal proceeding against the Exchange or any of its directors, officers, committee members, other officials, employees, contractors, or agents, or any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents, for actions taken or omitted to be taken in connection with the official business of the Exchange or any subsidiary or affiliate, except to the extent such actions or omissions constitute violations of the federal securities laws for which a private right of action exists. This provision shall not apply to appeals of disciplinary actions or other actions by the Exchange as provided for in the Rules.

CHAPTER 2. TRADING PERMIT HOLDER FEES

Rule 2.1. Trading Permit Holder Fees and Charges

The Exchange fixes, from time to time, fees and charges payable by Trading Permit Holders, which except as otherwise provided are due and payable in full on the first day of each month on a nonrefundable basis and applied to the month beginning on that day. The Exchange may, on the request of a Trading Permit Holder who is serving on active duty in the U.S. Armed Forces, waive any fees and charges during the period of such service.

Rule 2.2. Regulatory Revenues

The Exchange may not use any revenues it receives from fees derived from its regulatory function or regulatory fines for nonregulatory purposes, but rather must use them to fund the legal and regulatory operations of the Exchange (including surveillance and enforcement activities), or, as the case may be, to pay restitution and disgorgement of funds intended for customers (except in the event of liquidation of the Exchange, in which case Cboe Global Markets, Inc. will be entitled to the distribution of the remaining assets of the Exchange).

Rule 2.3. Integrated Billing System (IBS)

Every Trading Permit Holder must designate a Clearing Trading Permit Holder for the payment of the Trading Permit Holder's Exchange invoices and vendor invoices for Exchange-related services designated by the Exchange by means of the Exchange's integrated billing system ("IBS"). The designated Clearing Trading Permit Holder must pay to the Exchange on a timely basis any amount that is not disputed pursuant to IBS procedures by the Trading Permit Holder who is directly involved. Such payments will be drafted by the Exchange against the designated Clearing Trading Permit Holder's account at the Clearing Corporation. The Clearing Corporation has no liability in connection with its forwarding to the Exchange each month a check representing the total amount that the Exchange advises the Clearing Corporation is owed to the Exchange.

Rule 2.4. Liability for Payment

(a) With regard to a Trading Permit Holder or associated person that does not pay any fees, charges, fines or other amounts due to the Exchange within 30 days after the same has become due and payable, the Exchange may, after giving reasonable notice to the Trading Permit Holder or associated person of such arrearages, suspend the Trading Permit Holder or associated person from being a Trading Permit Holder, being associated with any Trading Permit Holder, or both until payment is made. Should payment not be made by a Trading Permit Holder within six months after payment is due, any Trading Permit held by that Trading Permit Holder may be revoked by the Exchange.

(b) With regard to a former Trading Permit Holder or associated person that does not pay any fees, charges, fines or other amounts due to the Exchange within 30 days after the same has become payable, the Exchange may, after giving reasonable notice to the former Trading Permit Holder or associated person of such arrearages, bar the former Trading

Permit Holder or associated person from becoming a Trading Permit Holder, an associated person, or both until payment is made.

(c) Reasonable notice under this Rule includes, but is not limited to, service on a Trading Permit Holder's or associated person's address as it appears on the books and records of the Exchange either by (1) hand delivery or (2) deposit in the U.S. post office, postage prepaid via registered or certified mail.

(d) The Exchange reports to Web CRD any suspension or bar imposed pursuant to this Rule.

Rule 2.5. Exchange's Costs of Defending Legal Proceedings

Any Trading Permit Holder or person associated with a Trading Permit Holder who fails to prevail in a lawsuit or other legal proceeding instituted by such person against the Exchange or any of its directors, officers, committee members, other officials, employees, contractors, or agents, or any subsidiaries or affiliates of the Exchange or any of their directors, officers, committee members, other officials, employees, contractors, or agents, and related to the business of the Exchange, must pay to the Exchange all reasonable expenses, including attorneys' fees, incurred by the Exchange in the defense of such proceeding, but only in the event that such expenses exceed \$50,000. This provision does not apply to disciplinary actions by the Exchange, to administrative appeals of Exchange actions, or in any specific instance where the Exchange has granted a waiver of this provision.

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CHAPTER 5. OPTIONS TRADING

Section A. General Provisions

Rule 5.1. Trading Days and Hours

(a) *Acceptance of Orders and Quotes.* The System accepts orders and quotes at the times set forth in Rule 5.7.

(b) *Regular Trading Hours.*

(1) *Equity Options.* Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, Regular Trading Hours for transactions in equity options (including options on individual stocks, ETFs, ETNs, and other securities) are the normal business days and hours set forth in the rules of the primary market currently trading the securities underlying the options, except for options on ETFs, ETNs, Index Portfolio Shares, Index Portfolio Receipts, and Trust Issued Receipts the Exchange designates to remain open for trading beyond 4:00 p.m. but in no case later than 4:15 p.m.

(2) Index Options. Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, Regular Trading Hours for transactions in index options are from 9:30 a.m. to 4:15 p.m., except as follows:

(A) Regular Trading Hours for the following index options are from 9:30 a.m. to 4:00 p.m.:

S&P Financial Select Sector Index (SIXM)

S&P Energy Select Sector Index (SIXE)

S&P Technology Select Sector Index (SIXT)

S&P Health Care Select Sector Index (SIXV)

S&P Utilities Select Sector Index (SIXU)

S&P Consumer Staples Select Sector Index (SIXR)

S&P Industrials Select Sector Index (SIXI)

S&P Consumer Discretionary Select Sector Index (SIXY)

S&P Materials Select Sector Index (SIXB)

S&P Real Estate Select Sector Index (SIXRE)

S&P Communication Services Select Sector Index (SIXC)

(B) Regular Trading Hours for ETF Based Volatility Index options are from 9:30 a.m. to 4:15 p.m., except if the closing time for the index components (i.e., Cboe Options-listed ETF options) is earlier than 4:15 p.m. Eastern Time, that earlier closing time applies.

(C) On their last trading day, Regular Trading Hours for the following options are from 9:30 a.m. to 4:00 p.m.

Cboe S&P 500 AM/PM Basis options

Index Options with Nonstandard Expirations (i.e., Weeklys and EOMs) and Quarterly Expirations (i.e., QIXs)

SPX options (p.m.-settled)

XSP options (p.m.-settled)

(D) On their last trading day, Regular Trading Hours for expiring FTSE Developed Europe Index options are from 9:30 a.m. to the closing time of the London Stock Exchange, which is usually 11:30 a.m.

(E) The last trading day for the following options will be the business day prior to the expiration date of the specific series:

MSCI EAFE Index options

MSCI Emerging Markets Index options

(F) With respect to options on a foreign index that is comprised of component securities trading in a single country, the Exchange may determine to not open the options for trading when the component securities of the foreign index are not trading due to a holiday for the foreign exchange(s) on which the component securities trade. The Exchange announces the days on which options on a particular foreign index will be closed at least once a year in January.

(G) Regular Trading Hours for Binary Options are the same as the Regular Trading Hours for options with the same underlying index.

(H) Regular Trading Hours for Range Options are the same as the Regular Trading Hours for options with the same underlying index.

(3) Other Options. Except as otherwise set forth in the Rules or under unusual conditions as may be determined by the Exchange, Regular Trading Hours during which transactions in the following types of options may be made on the Exchange are as follows:

(A) FLEX Options. Regular Trading Hours for FLEX Options are the same as the corresponding non-FLEX Options, except the Exchange may determine to narrow or otherwise restrict the trading hours for FLEX Options.

(B) Corporate Debt Security Options. Regular Trading Hours for Corporate Debt Security options are from 9:30 a.m. to 4:00 p.m.

(C) Credit Options. Regular Trading Hours for Credit Options are from 9:30 a.m. to 4:00 p.m.

(D) Government Securities Options. Regular Trading Hours for Government Securities options are the hours in which the underlying Government Securities are normally traded, which normally end at 3:00 p.m.

(E) Interest Rate Options. Regular Trading Hours for Interest Rate options are from 8:20 a.m. to 3:00 p.m.

(c) Global Trading Hours. Except under unusual conditions as may be determined by the Exchange, Global Trading Hours are from 3:00 a.m. to 9:15 a.m. on Monday through Friday.

(1) Classes. The Exchange may designate as eligible for trading during Global Trading Hours any exclusively listed index option designated for trading under Chapter 4, Section D. Currently, options on the following indexes are approved for trading during Global Trading Hours. If the Exchange designates a class of index options as eligible for trading during Global Trading Hours, FLEX Options with the same underlying index are also deemed eligible for trading during Global Trading Hours.

Standard & Poor's 500 Stock Index (SPX)

Cboe Volatility Index (VIX)

Mini-SPX Index (XSP)

(2) Series. The Exchange may list for trading during Global Trading Hours any series in eligible classes that it may list pursuant to Rule 4.14. Any series in eligible classes that are expected to be open for trading during Regular Trading Hours will be open for trading during Global Trading Hours on that same trading day (subject to Rule 5.31).

(3) Index Values. While it may not be calculated and disseminated at all times during Global Trading Hours, current values of VIX will be widely disseminated at least once every fifteen (15) seconds by the Options Price Reporting Authority or one or more major market vendors during that trading session. No current index value underlying any other index option trading during Global Trading Hours is disseminated during or at the close of that trading session.

(4) Electronic Trading Only. Trading during Global Trading Hours is electronic only on the System. There is no open outcry trading on the floor during Global Trading Hours. If in accordance with the Rules and User's instructions an order would route to PAR, the System returns the order to the Trading Permit Holder during Global Trading Hours.

(d) Holidays. The Exchange is not open for business on New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day. When any holiday observed by the Exchange falls on a Saturday, the Exchange is not open for business on the preceding Friday, and when any holiday observed by the Exchange falls on a Sunday, the Exchange is not open for business on the following Monday, unless unusual business conditions exist at the time.

Rule 5.2. Unit of Trading

The unit of trading in each series of options traded on the Exchange is the unit of trading established for that series by the Clearing Corporation pursuant to the Rules of the Clearing Corporation and the agreements of the Exchange with the Clearing Corporation.

Rule 5.3. Bids and Offers

(a) General. Except as otherwise provided in this Rule 5.3, bids and offers must be expressed in terms of dollars and decimals per unit of the underlying security or index, as applicable. For example, a bid of “7” represents a bid of \$700 for an option contract having a unit of trading consisting of 100 shares of an underlying security, or a bid of \$770 for an option contract having a unit of trading consisting of 110 shares of an underlying security.

(b) Adjusted Options. Notwithstanding paragraph (a) above, bids and offers for an option contract for which the Clearing Corporation has established an adjusted unit of trading in accordance with Rule 5.7 must be expressed in terms of dollars per 1/100th part of the total securities and/or other property constituting such adjusted unit of trading. For example, an offer of “6” represents an offer of \$600 on an option contract having a unit of trading consisting of 100 shares of an underlying security plus 10 rights.

(c) Mini-options. Notwithstanding paragraph (a) above, bids and offers for an option contract overlying 10 shares must be expressed in terms of dollars per 1/10th part of the total value of the contract. For example, an offer of “0.50” represents an offer of \$5.00 for an option contract having a unit of trading consisting of 10 shares.

(d) Bids and Offers in Relation to Unit of Trading. Except as otherwise provided in the Rules, a bid or offer is deemed to be for one option contract unless a User expresses a specific number of contracts in the bid or offer. A bid or offer for more than one option contract is deemed to be for the number of or fewer option contracts stated in the bid or offer, except:

(1) an AON or FOK bid or offer is deemed to be for only the number of option contracts stated in the bid or offer; and

(2) a Minimum Quantity bid or offer is deemed to be for the number, or a smaller number at least equal to the specified minimum quantity, of option contracts stated in the bid or offer.

(e) Other Options. Notwithstanding paragraphs (a) through (c) above:

(1) Corporate Debt Security Options. Bids and offers for Corporate Debt Security options must be expressed in points where one point equals \$1,000.

(2) Credit Options. Bids and offers for Credit options must be expressed in terms of dollars per the contract multiplier unit. For example, a bid of “7” represents a bid of \$7,000 for a Credit option with a specified contract multiplier of 1,000.

(3) Government Security Options. Bids and offers for Government Security options must be expressed in thirty-seconds of a point (one point being equal to one percent of the principal amount of the underlying security), unless the Exchange determines a different fraction of a point for all Government Securities options or a Government Security option of a particular series.

(4) Interest Rate Options. Bids and offers for Interest Rate options must be expressed in terms of dollars and decimals per unit of the measure. For example, a bid of 4.50 represents a bid of \$4.50 per unit.

Rule 5.4. Minimum Increments for Bids and Offers

(a) Simple Orders for Equity and Index Options. The minimum increments for bids and offers on simple orders for equity and index options are as follows:

<u>Class</u>	<u>Increment</u>	<u>Series Trading Price</u>
<u>Class Not Participating in Penny Pilot Program (including all series of VIX options if the Exchange does not list VIX on a group basis pursuant to Rule 4.14) and series of VIX Options not listed under the Nonstandard Expirations Pilot Program (if the Exchange lists VIX on a group basis pursuant to Rule 4.14)</u>	<u>\$0.05</u>	<u>Lower than \$3.00</u>
	<u>\$0.10</u>	<u>\$3.00 and higher</u>
<u>Class Participating in Penny Pilot Program</u>	<u>\$0.01</u>	<u>Lower than \$3.00</u>
	<u>\$0.05</u>	<u>\$3.00 and higher</u>
<u>QQQs, IWM, and SPY, and Mini-SPX Index Options (XSP) (as long as SPDR options (SPY) participate in the Penny Pilot Program)</u>	<u>\$0.01</u>	<u>All prices</u>
<u>Series of VIX Options listed under the Nonstandard Expirations Pilot Program (if the Exchange lists VIX on a group basis pursuant to Rule 4.14)</u>	<u>\$0.01</u>	<u>All prices</u>
<u>Options on the Dow Jones Industrial Average (DJX), as long as Diamonds options (DIA) participate in the Penny Pilot Program</u>	<u>\$0.01</u>	<u>Lower than \$3.00</u>
	<u>\$0.05</u>	<u>\$3.00 and higher</u>
<u>Mini-Options</u>	<u>Same as permitted for standard options on the same security</u>	

(b) *Complex Orders.* Except as provided in Rule 5.33, the minimum increment for bids and offers on complex orders for equity and index options is \$0.01 or greater, which may be determined by the Exchange on a class-by-class basis. Notwithstanding the foregoing sentence, the minimum increment for bids and offers on complex orders in options on the S&P 500 Index (SPX) or on the S&P 100 Index (OEX and XEO), except for box/roll spreads, is \$0.05 or greater, or in any increment, which may be determined by the Exchange on a class-by-class basis. In addition, the legs of a complex order may be executed in \$0.01 increments.

(c) *Other Options.* Notwithstanding paragraph (a) and (b) above, the minimum increment for the following types of options is as follows:

(1) *Binary Options.* The Exchange establishes the minimum increment for bids and offers on orders for binary options on a class-by-class basis, which may not be less than \$0.01.

(2) *Corporate Debt Security Options.* The minimum increment for bids and offers on orders for Corporate Debt Security options is 0.05 (which is the equivalent of \$50), unless the Exchange determines another minimum increment for all Corporate Debt Security options or a Corporate Debt Security option of a particular series.

(3) *Credit Options.* The Exchange establishes the minimum increment for bids and offers on both simple and complex orders for Credit Options (including Credit Default Options and Credit Default Basket Options) on a class-by-class basis, which may not be less than \$0.01.

(4) *Government Security Options.* The minimum increment for bids and offers on Government Security options is one thirty-second of a point (one point being equal to one percent of the principal amount of the underlying security), unless the Exchange determines another minimum increment for all Government Securities options or a Government Security option of a particular series.

(5) *Interest Rate Options.* There is no minimum increment for bids and offers on Interest Rate options.

... *Interpretations and Policies:*

.01 For purposes of this Rule 5.4, “box/roll spread” or “box spread” means an aggregation of positions in a long call option and short put option with the same exercise price (“buy side”) coupled with a long put option and short call option with the same exercise price (“sell side”) all of which have the same aggregate current underlying value, and are structured as either: (a) a “long box spread” in which the sell side exercise price exceeds the buy side exercise price or (b) a “short box spread” in which the buy side exercise price exceeds the sell side exercise price.

.02 When the Exchange determines to change the minimum increment for a class, the Exchange will designate such change as a stated policy, practice, or interpretation with

respect to the administration of this Rule 5.4 within the meaning of subparagraph (3)(A) of subsection 19(b) of the Act and will file a rule change for effectiveness upon filing with the Commission.

.03 The Exchange may replace any option class participating in the Penny Pilot Program that has been delisted with the next most actively traded, multiply listed option class, based on national average daily volume in the preceding six calendar months, that is not yet included in the Pilot Program. Any replacement class would be added on the second trading day in the first month of each quarter. The Penny Pilot will expire on June 30, 2019.

Rule 5.5. System Access and Connectivity

Reserved

Rule 5.6. Order Types, Order Instructions, and Times-in-Force

(a) *Availability.* Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following order types, Order Instructions, and Times-in-Force are available on a class, system, or trading session basis. Rule 5.30 sets forth order types, Order Instructions, and Times-in-Force the Exchange may make available for electronic trading during each trading session. All order types, Order Instructions, and Times-in-Force the Exchange makes available in an All Sessions class for RTH electronic trading are available in that class for GTH electronic trading, except as otherwise specified in the Rules. Rule 5.82 sets forth order types, Order Instructions, and Times-in-Force the Exchange may make available for PAR routing (and open outcry trading). Rule 5.33 sets forth the order types, Order Instructions, and Times-in-Force the Exchange may make available for complex orders.

(b) *Order Types.* An order may be either a limit or market order:

Limit Order

A “limit order” is an order to buy or sell a stated number of option contracts at a specified price or better. A limit order to buy (sell) is marketable when, at the time it enters the System, the order price is equal to or higher (lower) than the then-current offer (bid).

Market Order

A “market order” is an order to buy or sell a stated number of option contracts at the best price available at the time of execution. Users may not designate a market order as All Sessions.

(c) Order Instructions. An “Order Instruction” is a processing instruction a User may apply to an order (multiple instructions may apply to a single order) when entering it into the System for electronic or open outcry processing, subject to any restrictions set forth in the Rules, and includes:

All-or-None or AON

An “All-or-None” or “AON” order is an order to be executed in its entirety or not at all. An AON order may be a market or limit order. Users may not designate an AON order as All Sessions.

(1) The Exchange does not disseminate bids or offers of AON orders to OPRA.

(2) A User may not designate an AON order as Post Only.

(3) An AON limit order is always subject to the Price Adjust process as set forth in Rule 5.32.

(4) A User may apply MCN (as defined below), but no other MTP Modifier (if a User applies any other MTP Modifier to an AON order, the System handles it as an MCN), to an AON order.

(5) The Exchange may restrict the entry of AON orders in a series or class if the Exchange deems it necessary or appropriate to maintain a fair and orderly market.

All Sessions

An “All Sessions” order is an order a User designates as eligible to trade during both GTH and RTH. An unexecuted All Sessions order on the GTH Book at the end of a GTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on that same trading day, subject to a User’s instructions.

Attributable

An “Attributable” order is an order a User designates for display (price and size) that includes the User’s EFID or other unique identifier.

Book Only

A “Book Only” order is an order the System ranks and executes pursuant to Rule 5.32, subjects to the Price Adjust process pursuant to Rule 5.32, or cancels, as applicable (in accordance with User instructions), without routing away to another exchange.

Cancel Back

A “Cancel Back” order is an order a User designates to not be subject to the Price Adjust Process pursuant to Rule 5.32 that the System cancels or rejects (immediately at the time the

System receives the order or upon return to the System after being routed away) if displaying the order on the Book would create a violation of Rule 5.67, or if the order cannot otherwise be executed or displayed in the Book at its limit price. The System executes a Book Only – Cancel Back order against resting orders, and cancels or rejects a Post Only – Cancel Back order, that locks or crosses the opposite side of the BBO.

Combination Order

A “combination order” is an order involving a number of call option contracts and the same number of put option contracts in the same underlying security. In the case of an adjusted option contract, a combination order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares of the underlying.

Electronic Only

An “Electronic Only” order is an order a User designates for electronic execution (in whole or in part) on the Exchange only, and does not route to PAR for execution in open outcry. The System cancels an Electronic Only order that would otherwise route to PAR pursuant to the Rules.

Intermarket Sweep Order or ISO

An “Intermarket Sweep Order” or “ISO” is an order that has the meaning provided in Rule 5.65, which may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges (i.e., may trade through Protected Quotations). The Exchange relies on the marking of an order by a User as an ISO order when handling such order, and thus, it is the entering User’s responsibility, not the Exchange’s responsibility, to comply with the requirements relating to ISOs.

Match Trade Prevention (MTP) Modifier

An order marked with any “Match Trade Prevention (“MTP”) Modifier” does not execute against a resting opposite side order also marked with an MTP Modifier and originating from the same EFID, Trading Permit Holder identifier, trading group identifier, or Sponsored User identifier (any such identifier, a “Unique Identifier”). Except as described in paragraph (3) below, the MTP Modifier on the incoming order controls the interaction between two orders marked with MTP Modifiers.

(1) MTP Cancel Newest (“MCN”). An incoming order marked with the “MCN” Modifier does not execute against a resting order marked with any MTP Modifier originating from the same Unique Identifier. The System cancels or rejects the incoming order, and the resting order remains in the Book.

(2) MTP Cancel Oldest (“MCO”). An incoming order marked with the “MCO” Modifier does not execute against a resting order marked with any MTP modifier originating from the same Unique Identifier. The System cancels or rejects the resting order and processes the incoming order in accordance with Rule 5.32.

(3) MTP Decrement and Cancel (“MDC”). An incoming order marked with the “MDC” Modifier does not execute against a resting order marked with any MTP Modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders and decrements the size of the larger order by the size of the smaller order, which remaining balance remains on the Book or processes in accordance with Rule 5.32, as applicable. Notwithstanding the foregoing, unless a User instructs the Exchange not to do so, the System cancels or rejects both orders if the resting order is marked with any MTP Modifier other than MDC and the incoming order is smaller in size than the resting order.

(4) MTP Cancel Both (“MCB”). An incoming order marked with the “MCB” Modifier does not execute against a resting order marked with any MTP Modifier originating from the same Unique Identifier. The System cancels or rejects both orders.

(5) MTP Cancel Smallest (“MCS”). An incoming order marked with the “MCS” Modifier does not execute against a resting order marked with any MTP Modifier originating from the same Unique Identifier. If both orders are equivalent in size, the System cancels or rejects both orders. If the orders are not equivalent in size, the System cancels or rejects the smaller of the two orders, and the larger order remains on the Book or processes in accordance with Rule 5.32, as applicable.

Minimum Quantity

A “Minimum Quantity” order is an order that requires a specified minimum quantity of contracts to be executed or is cancelled. Minimum Quantity orders will only execute against multiple, aggregated orders if the executions would occur simultaneously. Only a Book Only order with a Time-in-Force designation of IOC may have a Minimum Quantity instruction (the System disregards a Minimum Quantity instruction on any other order).

Non-Attributable

A “Non-Attributable” order is an order a User designates for display (price and size) on an anonymous basis or not designated as an Attributable order.

Not Held

A “not held” order is an order marked “not held”, “take time” or which bears any qualifying notation giving discretion as to the price or time at which such order is to be executed. An order entrusted to a Floor Broker will be considered a not held order, unless otherwise specified by a Floor Broker’s client or the order was received by the Exchange electronically and subsequently routed to a Floor Broker or PAR Official pursuant to the User’s instructions. Not held orders and/or “held” orders must be marked in a manner and form prescribed by the Exchange.

Post Only

A “Post Only” order is an order the System ranks and executes pursuant to Rule 5.32, subjects to the Price Adjust process pursuant to Rule 5.32, or cancels or rejects (including if it is not subject to the Price Adjust process and locks or crosses a Protected Quotation of another exchange), as applicable (in accordance with User instructions), except the order or quote may not remove liquidity from the Book or route away to another Exchange.

Price Adjust

A “Price Adjust” order is an order a User designates to be subject to the Price Adjust process pursuant to Rule 5.32 or not designated as Cancel Back.

Qualified Contingent Cross (QCC)

A “qualified contingent cross” (“QCC”) order is an initiating order to buy (sell) at least 1,000 standard option contracts or 10,000 mini-option contracts that is identified as being part of a qualified contingent trade coupled with a contra-side order or orders totaling an equal number of contracts. QCC orders with one option leg may only be entered in the standard increments applicable to simple orders in the options class under Rule 5.4. QCC orders with more than one option leg may be entered in the increments specified for complex orders under Rule 5.4. For purposes of this order type:

(1) A “qualified contingent trade” is a transaction consisting of two or more component orders, executed as agent or principal, where:

(A) at least one component is an NMS stock, as defined in Rule 600 of Regulation NMS under the Exchange Act;

(B) all components are effected with a product or price contingency that either has been agreed to by all the respective counterparties or arranged for by a broker-dealer as principal or agent;

(C) the execution of one component is contingent upon the execution of all other components at or near the same time;

(D) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined by the time the contingent order is placed;

(E) the component orders bear a derivative relationship to one another, represent different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or cancelled; and

(F) the transaction is fully hedged (without regard to any prior existing position) as a result of other components of the contingent trade.

(2) Qualified contingent cross orders may execute without exposure provided the execution (A) is not at the same price as a public customer order resting in the electronic book and (B) is at or between the NBBO. A qualified contingent cross order will be cancelled if it cannot be executed.

(3) QCC with Stock Orders. A “QCC with Stock Order” is a qualified contingent cross order, as defined above, entered with a stock component to be electronically communicated by the Exchange to a designated broker-dealer for execution on behalf of the submitting Trading Permit Holder pursuant to Rule 5.33.

Ratio

A “ratio” order is a spread, straddle, or combination order in which the stated number of option contracts to buy (sell) is not equal to the stated number of option contracts to sell (buy), provided that the number of contracts differ by a permissible ratio. For purposes of the Rules, a permissible ratio is any ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00). For example, a one-to-two (.5) ratio, a two-to-three (.667) ratio, or a two-to-one (2.00) ratio is permissible, whereas a one-to-four (.25) ratio or a four-to-one (4.0) ratio is not.

Reserve Order

A “Reserve Order” is a limit order with both a portion of the quantity displayed (“Display Quantity”) and a reserve portion of the quantity (“Reserve Quantity”) not displayed. Both the Display Quantity and Reserve Quantity of the Reserve Order are available for potential execution against incoming orders. When entering a Reserve Order, a User must instruct the Exchange as to the quantity of the order to be initially displayed by the System (“Max Floor”). If the Display Quantity of a Reserve Order is fully executed, the System will, in accordance with the User’s instruction, replenish the Display Quantity from the Reserve Quantity using one of the below replenishment instructions. If the remainder of an order is less than the replenishment amount, the System will display the entire remainder of the order. The System creates a new timestamp for both the Display Quantity and Reserve Quantity of the order each time it is replenished from reserve.

(1) Random Replenishment. An instruction that a User may attach to an order with Reserve Quantity where the System randomly replenishes the Display Quantity for the order with a number of contracts not outside a replenishment range, which equals the Max Floor plus and minus a replenishment value established by the User when entering a Reserve Order with a Random Replenishment instruction.

(2) Fixed Replenishment. For any order for that a User does not select Random Replenishment, the System will replenish the Display Quantity of an order with the number of contracts equal to the Max Floor.

RTH Only

An “RTH Only” order is an order a User designates as eligible to trade only during RTH or not designated as All Sessions. An unexecuted RTH Only order with a Time-in-Force of GTC or GTD on the RTH Book at the end of an RTH trading session enters the RTH Queuing Book and becomes eligible for execution during the RTH opening rotation and trading session on the following trading day (but not during the GTH trading session on the following trading day), subject to a User’s instructions.

Spread

A “spread” order is an order to buy a stated number of option contracts and to sell the same number of option contracts, or contracts representing the same number of shares of the underlying, of the same class of options.

Stop (Stop-Loss)

A “Stop (Stop-Loss)” order is an order to buy (sell) that becomes a market order when the consolidated last sale price (excluding prices from complex order trades if outside of the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User. Users may not designate a Stop Order as All Sessions.

Stop Limit

A “Stop-Limit” order is an order to buy (sell) that becomes a limit order when the consolidated last sale price (excluding prices from complex order trades if outside the NBBO) or NBB (NBO) for a particular option contract is equal to or above (below) the stop price specified by the User. Users may not designate a Stop-Limit Order as All Sessions.

Straddle

A “straddle” order is an order to buy a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date; or an order to sell a number of call option contracts and the same number of put option contracts on the same underlying security which contracts have the same exercise price and expiration date (e.g., an order to buy two XYZ July 50 calls and to buy two July 50 XYZ puts is a straddle order). In the case of adjusted option contracts, a straddle order need not consist of the same number of put and call contracts if such contracts both represent the same number of shares of the underlying.

(d) *Time-in-Force*. A “Time-in-Force” means the period of time the System holds an order or quote for potential execution. Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Times-in-Force are available on a class, system, or trading session basis. Rule 5.33 sets forth the Times-in-Force the Exchange may make available for complex orders.

Day

The term “Day” means, for an order so designated, an order or quote that, if not executed, expires at the RTH market close.

Fill-or-Kill and FOK

The terms “Fill-or-Kill” and “FOK” mean, for an order so designated, an order that must execute in its entirety as soon as the System receives it and, if not so executed, is cancelled. The System considers an FOK order to be an AON order.

Good-til-Cancelled and GTC

The terms “Good-til-Cancelled” and “GTC” mean, for an order so designated, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) unless cancelled by the entering User, or until the option expires, whichever comes first.

Good-til-Date and GTD

The terms “Good-til-Date” and “GTD” mean, for an order so designated, if after entry into the System, the order is not fully executed, the order (or unexecuted portion) remains available for potential display or execution (with the same timestamp) until a date and time specified by the entering User unless cancelled by the entering User.

Immediate-or-Cancel and IOC

The terms “Immediate-or-Cancel” and “IOC” mean, for an order so designated, a limit order that must execute in whole or in part as soon as the System receives it; the System cancels and does not post to the Book an IOC order (or unexecuted portion) not executed immediately on the Exchange or another options exchange.

Limit-on-Close and LOC

The terms “Limit-on-Close” and “LOC” mean, for an order so designated, a limit order that may not execute on the Exchange until three minutes prior to RTH market close. At that time, the System enters LOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with Rule 5.32. The System cancels an LOC order (or unexecuted portion) that does not execute by the RTH market close. Users may not designate an LOC order as All Sessions.

Market-on-Close and MOC

The terms “Market-on-Close” and “MOC” mean, for an order so designated, a market order that may not execute on the Exchange until three minutes prior to RTH market close. At that time, the System enters MOC orders into the Book in time sequence (based on the times at which the System initially received them), where they may be processed in accordance with Rule 5.32. The System cancels an MOC order (or unexecuted portion) that does not execute by the RTH market close. Users may not designate an MOC order as All Sessions.

OPG or At the Open

The terms “OPG” and “At the Open” mean, for an order so designated, an order that may only participate in the Opening Process on the Exchange. The System cancels an OPG order (or unexecuted portion) that does not execute during the Opening Process.

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CHAPTER 9. DOING BUSINESS WITH THE PUBLIC

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Rule 9.20. Global Trading Hours Disclosure

No Trading Permit Holder may accept an order from a customer for execution during Global Trading Hours without disclosing to that customer that trading during Global Trading Hours involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, an exaggerated effect from news announcements, wider spreads, the absence of an updated underlying index or portfolio value or intraday indicative value and lack of regular trading in the securities underlying the index or portfolio and any other relevant risk. The disclosures required pursuant to this Rule may take the following form or such other form as provides substantially similar information:

(a) *Risk of Lower Liquidity.* Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders and quotes that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity during Global Trading Hours as compared to Regular Trading Hours, including fewer Market-Makers quoting during Global Trading Hours. As a result, your order may only be partially executed, or not at all.

(b) *Risk of Higher Volatility.* Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility during Global Trading Hours as compared to Regular Trading Hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price during Global Trading Hours as compared to Regular Trading Hours.

(c) *Risk of Changing Prices.* The prices of securities traded during Global Trading Hours may not reflect the prices either at the end of Regular Trading Hours, or upon the opening of Regular Trading Hours the next business day. As a result, you may receive an inferior price during Global Trading Hours as compared to Regular Trading Hours.

(d) *Risk of News Announcements.* Normally, issuers make news announcements that may affect the price of their securities after Regular Trading Hours. Similarly, important financial information is frequently announced outside of Regular Trading Hours. These

announcements may occur during Global Trading Hours, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(e) *Risk of Wider Spreads.* The spread refers to the difference between the price for which you can buy a security and the price for which you can sell it. Lower liquidity and higher volatility during Global Trading Hours may result in wider than normal spreads for a particular security.

(f) *Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV") and Lack of Regular Trading in Securities Underlying Indexes.* For certain products, an updated underlying index or portfolio value or IIV will not be calculated or publicly disseminated during Global Trading Hours. Since the underlying index or portfolio value and IIV are not calculated or widely disseminated during Global Trading Hours, an investor who is unable to calculate implied values for certain products during Global Trading Hours may be at a disadvantage to market professionals. Additionally, securities underlying the indexes or portfolios will not be regularly trading as they are during Regular Trading Hours, or may not be trading at all. This may cause prices during Global Trading Hours to not reflect the prices of those securities when they open for trading.

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