

Required fields are shown with yellow backgrounds and asterisks.

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

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<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) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

The Exchange proposes to amend its maintenance listing standards for options on certain indexes under Rule 24.2.01(b)(2).

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 * Rebecca Last Name * Tenuta
 Title * Counsel
 E-mail * rtenuta@cboe.com
 Telephone * (312) 786-7068 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 *)
 Counsel

Date 07/22/2019
 By Rebecca Tenuta
 (Name *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

rtenuta@cboe.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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

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

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 its maintenance listing standards for options on certain indexes under Rule 24.2.01(b)(2). 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 July 16, 2018.

(b) Please refer questions and comments on the proposed rule change to Patrick Sexton, (312) 786-7467, or Rebecca Tenuta (312) 786-7068, 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

The Exchange proposes to amend the listing criteria in Rule 24.01(b) for options that overlie certain indexes. Specifically, Rule 24.2.01(b) establishes maintenance listing standards that apply to options on the MSCI Emerging Markets (“EM”) Index. The proposed rule change does not impact options on the MSCI EAFE (“EAFE”).¹ Rule 24.2.01(b)(2), requires that the total number of component securities in the index may not increase or decrease by more than 35% from the number of component securities in the

¹ The Rule also governs options on the FTSE Emerging and FTSE Developed Europe indexes. The Exchange has not listed FTSE Developed Europe Index options and delisted FTSE Emerging Index options on January 5, 2018. See <http://www.cboe.com/publish/OptionClassDelistings/Class%20Delisting%20010518.pdf> (January 5, 2018).

index at the time of its initial listing. Due to global market trends and the overall objectives of the EM Index, as described below, the EM Index no longer meets the maintenance listing standard set forth under Rule 24.2.01(b)(2), and, thus, the Exchange now seeks approval to amend its rules in order to continue to list series of options on the EM Index. Specifically, the Exchange proposes to amend Rule 24.4.01(b)(2) to provide an exception for the EM Index component securities in which the total of the component securities in the index may not increase or decrease more than 10% over the last six month period.

The EM Index is designed to capture large and mid-cap representation across emerging market countries. In particular, it is built to “be flexible enough to adjust quickly to a constantly changing opportunity set”, that is, emerging markets.² It seeks “to capitalize on the unique attributes of these vibrant economies”, which includes “superior growth potential”.³ Indeed, EM has experienced a continuous rise in the number of its component securities, which has recently climbed to over a 35% increase from the number of its total initial components. When initially listed on the Exchange in 2015, the EM Index consisted of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. At that time, the EM Index had 834 constituents which covered approximately 85% of the free float-adjusted market

² See MSCI Emerging Markets Index brochure (dated May 2019) located at: <https://www.msci.com/documents/1296102/15035999/USLetter-MIS-EM-May2019-cbr-en.pdf/fb580e1e-d54c-4c68-1314-977bbff69bd7?t=1559125400402>.

³ Id.

capitalization in each country. Since its initial listing, Argentina,⁴ Pakistan,⁵ and Saudi Arabia⁶ have joined the list of countries represented in the EM Index, and its number of constituents has grown to a total of 1,194, which still covers approximately 85% of the free float-adjusted market capitalization in each country represented. As a result of the growth of the emerging markets represented, the index has experienced continued expansion. The Exchange notes that the cumulative average growth rate of the EM Index component securities since 2015 has averaged 4.5% every 6 months. In the 6-month window from January 2019 through July 2019 the EM Index experienced approximately a 6.2% increase in component securities, and, in the second quarter of 2019 alone, 26 Chinese stocks, 30 Saudi Arabian stocks, eight Argentinian stocks were added to the EM Index. Over recent years, the component securities of the EM Index have grown to a market capitalization of 5,521,075.33 (USD Millions) (up from 3,219,779.13 in 2016) and average market capitalization per constituent of 4,624.02 (up from 3,846.81 in 2016). In addition to this, the components securities have an average daily volume of over 42 billion, and an average daily volume per constituent of over 35 million. Additionally, the largest constituent in the EM Index currently only accounts for 4.67% of the weight of the EM Index.⁷

Given the increasingly high number of constituents and capitalization of the EM Index, the deep and liquid markets for the securities underlying the index, and the low

⁴ Added in June 2018.

⁵ Added in June 2017.

⁶ Added in June 2018.

⁷ See MSCI Emerging Markets Index fact sheet (dated June 28, 2019) located at: http://www.msci.com/resources/factsheets/index_fact_sheet/msci-emerging-markets-index-usd-price.pdf.

percentage each constituent comprises of the total EM Index weight, and the recent growth patterns, as well as the Exchange's expectations that these growth trends will continue into the future, the concerns for market manipulation and/or disruption in the underlying markets are greatly reduced. The Exchange also notes that the proposed amended listing standard is designed to prevent more than 10% decreases over 6-month periods at a time, which, in turn, ensures that no significant decreases will occur over shorter periods of time that could potentially render the EM Index more susceptible to manipulation and/or disruption in the underlying markets.

Regarding the proposed threshold, the Exchange believes that 10% component securities changes applied every 6 months is sufficient to detect significant increases or, more importantly, successive decreases over time that could, in theory, reduce component securities to a point that might potentially raise concerns regarding manipulation of the index itself. The Exchange also notes that the proposed threshold is sufficient in monitoring for material increases that might potentially change the character of the index over which broad-based index options are issued; if the index grows too quickly it may raise surveillance issues and the Exchange must ensure it has the capacity to enforce its own rules so as for surveillance to continuously be able to properly monitor the index. The Exchange also believes that the proposed threshold is wide enough to allow for the more rapid, shorter-term changes (e.g. an average 4.5% increase in constituents every 6 months since 2015) experienced by emerging markets that the EM Index is designed to capture. For example, the proposed standard would allow for the swift growth in the emerging markets like that of the most recent EM Index component increase of approximately 6.2% over the first 6 months of 2019, and, if in the second half of 2019,

the component makeup of the index decreased 10% from its total in July, it would not be listed until compliant with the threshold. Under the current component threshold, which measures a 35% decrease or increase from the EM Index's initial listing, such a swift, shorter-term change would likely not be detected and/or addressed, potentially exposing the underlying securities to increased risk of manipulation and/or disruption. The Exchange believes that the proposed threshold is more restrictive than the 35% threshold, which other exchanges also have in place⁸, as it measures for smaller increases over shorter period of time, which is better aligned with the way the EM Index has continuously grown over the past three years and is expected to grow.⁹ The 10% over 6 month threshold is more restrictive because it will capture incremental changes in the component securities before they compound to greater, material levels of change, for which the 35% threshold allows. As the EM Index stands today, the current 35% threshold would allow for the component securities to decrease by approximately 54.5%, that is, from the current 1,194 component securities to 543 component securities, which is the number of component securities that would constitute just over a 35% decrease from the 834 component securities when initially listed. Therefore, the Exchange believes that the proposed threshold is more restrictive as it would not allow for such significant

⁸ See NASDAQ Options Rules, Chapter XIV, Sec. 3(e).

⁹ The Exchange also notes that the generic listing standards applicable to ETPs listed on other national securities exchanges (e.g., Cboe BZX Exchange Rule 14.11(c)(3)(A)(ii)) do not include any requirements based on the increase or decrease in component securities, and instead only require that an ETP based on an index that includes non-U.S. component stocks includes at least 20 component securities, among other diversification, liquidity, and market cap requirements. As such, an ETP based on the EM Index would not be delisted based on a percentage increase or decrease in component securities as long as it continued to have at least 20 component securities. Therefore, the Exchange believes that the proposed threshold is more restrictive than the current standard for listing products on the EM Index.

changes to occur. The Exchange notes that, theoretically, incremental decreases over a long period of time could evolve into a greater, material change like that described above, however, this is unlikely given the extensive growth patterns of the EM Index over the recent years and the Exchange's expectation that similar growth will continue. The Exchange currently maintains "watch lists" made up of countries and indexes with large constituent count changes which it reviews at least quarterly. If the Exchange determines from its reviews that a downside change in an index's composition would affect the protection of investors, it may cease listing series on such index pursuant to Rule 5.4, even if the index is still compliant with the component security threshold. Furthermore, the Exchange notes that while a component threshold fixed at the point of initial listing may be aligned with an index that is meant to represent a relatively fixed constituent count reflection of large-cap stocks, such as the S&P 500 Index, this criteria is not compatible with the EM Index, which contain mid-cap components and is designed to be flexible to change over time as the represented markets change.

The Exchange represents that reducing the threshold and specifying a certain period of time from which the threshold is measured will not have an adverse impact on the Exchange's surveillance program. The Exchange will continue to use the same surveillance procedures currently utilized for each of the Exchange's other index options. Currently, the Exchange conducts formal semi-annual reviews, as well as intermediate reviews on at least a quarterly basis to identify potential compliance concerns in connection with the continued listing standards in advance of its formal semi-annual index maintenance reviews. The Exchange believes the frequency of these reviews will

continue to successfully identify and address continued listing compliance risks for the EM Index.

EM options are currently listed for trading on the Exchange. The Exchange generally adds new series after an expiration, which allows trading to commence in the new series on the first trading day after the expiration date. The Exchange currently lists EM options that expire monthly, as well as Friday-expiring weekly options. In addition to this, the Exchange offers FLEX options on this index, which may only be listed if the standard options on an index are authorized to be listed. Specifically, additional series of weekly EM options may no longer be scheduled to be added, nor will additional monthly series after expiration on July 19, 2019, which would allow trading to commence in the additional series on the next trading day of July 22, 2019. Without this amendment, EM options cannot meet the continuing listing criteria of Rule 24.2.01(b), specifically the criteria under (b)(2), which will prevent the Exchange from adding weekly and monthly EM options.

Market participants have already begun to express concern to the Exchange regarding interruption in their trading of series on the EM Index. Indeed, market participants that intend to write optionality with weekly expiration dates in the upcoming weeks will, instead, have to take their volume OTC. This poses counter party risks to which a market participant would not otherwise have exposure if series were available on the EM Index. The inability to add the EM options would be a detriment to market participants seeking to hedge positions in ETPs based on the EM Index, options on EEM and EM futures, and European-traded derivatives on the EM Index. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the

ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. Additionally, to the extent market participants want to roll a position in EM options that expire in July to series at a later expiration date and at a favorable or comparable price, they will be prevented from doing so without this amendment. Furthermore, in the time in which the Exchange may not list additional series on EM, FLEX trades which may result in the creation of new FLEX series will be nullified, which may cause confusion and prove burdensome to market participants.

(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.¹⁰ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹¹ 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)¹² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

¹² Id.

In particular, the Exchange does not believe that the EM Index is easily susceptible to manipulation. This index is a broad-based index and has high market capitalization. As described above, the EM Index is comprised of 1,194 component securities, the component securities have a market capitalization of 5,521,075.33 (USD Millions) and an average daily volume of over 42 billion, and no single component comprises more than 4.67% of the index, making it not easily subject to market manipulation.

The proposed change will 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, because it is designed to allow the Exchange to continue to list EM options in a manner that is aligned with the EM Index's objective to be flexible enough to adjust quickly to constantly changing emerging markets and capitalize on their "superior growth potential", while also ensuring that its underlying markets do not become susceptible to manipulation and/or disruption by monitoring for significant component changes (importantly, decreases) over a shorter-term period of time, which is better aligned with the way in which emerging markets change over time. The Exchange believes that the 10% component threshold is sufficient to detect significant decreases that may pose risk of manipulation or disruption in the underlying securities, while also being wide enough to allow for the rapid and continuous changes emerging markets experience that the EM Index is designed to capture. The Exchange believes this protects investors by allowing the continued listing of EM Index options as the EM Index continues to change (as it is designed to do), and therefore the continued, uninterrupted

investor participation in such options, while also ensuring that the underlying securities do not become susceptible to risk of manipulation and/or disruption.

The Exchange believes that the proposed change serves to protect investors and the public interest because it is more restrictive than the current component threshold, as well as component thresholds on other exchanges.¹³ As stated, the current 35% threshold would allow for significant decreases in the number of component securities, whereas the proposed threshold allows only for smaller decreases in the component securities captured over shorter periods of time, which is in line with the more rapid way in which the EM Index changes and ensures component changes are flagged prior to becoming greater, material changes to the EM Index. Given the historical growth trends and the Exchange's expectations that these growth trends will continue into the future for the EM Index, the Exchange does not believe that incremental decreases will aggregate to a material decrease. The Exchange maintains and monitors its constituent and country watch list, and, if it determines that a component change adversely impacts investors, it may cease listing series on an index pursuant to Rule 5.4, even if the index is still compliant with the threshold.

In addition to this, because a total component securities standard is not essential to the continued listing standards for EM Index-based products, the Exchange believes the proposed change is not a novel change and serves to protect investors as it is an additional protection against potential manipulation and/or disruption in the underlying securities in a manner that maintains stability during both upside and downside swings, as well as the integrity of the index continuously over time.

¹³ See supra note 8.

As stated above, without this amendment, the Exchange is no longer able to list new series of weekly or monthly options on the EM Index. The Exchange believes that the proposed amendment is necessary for the protection of investors and the public interest, as without such an amendment, EM options cannot meet the continuing listing criteria under Rule 24.2.01(b)(2), which will prevent the Exchange from adding the weekly and monthly EM options. Indeed, market participants that intend to write optionality with weekly expiration dates in the upcoming weeks will, instead, have to take their volume OTC. OTC poses counter party risks for investors that they would not normally otherwise choose to be subject to if series on the EM Index were available for trading. The inability to add the EM options would be a detriment to market participants seeking to hedge positions in ETPs based on the EM Index (e.g. EEM), options on EEM and EM futures, and European-traded derivatives on the EM Index. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. Additionally, market participants that wish to roll a position in EM options that expire in July to a position in a series with a later expiration month at a favorable or comparable price, will be prevented from doing so without this amendment. Furthermore, in the time in which the Exchange may not list additional series on EM, FLEX trades which may result in the creation of new FLEX series will be nullified, which may cause confusion and prove burdensome to market participants. Since the discontinuation of new series listed on the EM Index on July 1, 2019, multiple market participants have express their concern to the Exchange regarding interruption of their activity in EM Index series.

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 does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of Act as the proposed rule change will facilitate the continued listing and trading of options on the EM Index, on which series are already listed and readily available for all market participants to trade, as will be the case for series added following the EM Index's compliance with the implementation of the proposed continued listing standards.

The Exchange does not believe that the proposed change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of Act as the proposed rule change does not alter the types of products offered by the Exchange in which market participants already may choose to participate. The proposed change merely allows the Exchange to continue listing certain index options in light of shifting global markets and continue to adequately surveil for any concerning changes.

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

No 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 Act¹⁴ and Rule 19b-4(f)(6)¹⁵ 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.

The Exchange believes that the proposed change does not significantly affect the protection of investors or the public interest because the EM Index is not easily susceptible to manipulation. As stated above, the index is a broad-based index and has high market capitalization, and each of its component securities comprises less than 5% of the index's weight. The Exchange, rather, believes that the proposed rule change will serve to protect investors because it is aligned with the way in which emerging markets change over time and will allow for the continued listing of EM Index options as the EM Index continues to change (as it is designed to do), and therefore the continued, uninterrupted investor participation in such options. The proposed threshold will

¹⁴ 15 U.S.C. 78s(b)(3)(A).

¹⁵ 17 CFR 240.19b-4(f)(6).

simultaneously maintain to integrity of the index over time and ensure that the underlying securities do not become susceptible to market manipulation and/or disruption due to component securities changes, particularly regarding decreases.

The Exchange believes that the proposed change does not significantly affect the protection of investors because it is more restrictive than the current component threshold, as well as component thresholds on other exchanges.¹⁶ The current 35% threshold would allow for significant decreases in the number of component securities, whereas the proposed threshold allows only for smaller decreases in the component securities captured over shorter periods of time, which is in line with the more rapid way in which the EM Index changes and ensures component changes are flagged prior to becoming greater, material changes to the EM Index. Given the historical growth trends and the Exchange's expectations that these growth trends will continue into the future for the EM Index, the Exchange does not believe that incremental decreases aggregating to a material decrease will occur. The protection of investors will not be affected because the Exchange maintains and monitors its constituent watch list, and may cease listing series on an index, pursuant to Rule 5.4, if it determines that a component change in an index affect investors.

The Exchange further believes that this proposed change does not significantly affect the protection of investors or the public interest because a total component securities standard is not essential to the continued listing standards for EM Index-based products, as indicated by listing standards for functionally equivalent EM Index-based products. Rather, the Exchange believes the proposed change is not designed as a novel

¹⁶ See supra note 8.

change but instead to protect investors as it is an additional protection against potential manipulation and/or disruption in the underlying securities in a manner that maintains stability during both upside and downside swings, as well as the integrity of the index continuously over time.

Finally, the Exchange believes the proposed rule change protects investors and the public interest because without such an amendment may not continue their participation in series on the EM Index, this includes investor inability to write optionality with weekly expiration dates in the upcoming weeks, inability to hedge positions in ETPs based on the EM Index (e.g. EEM), options on EEM and EM futures, and European-traded derivatives on the EM Index, and inability to roll a position in EM options that expire in July to a position in a series with a later expiration month at a favorable or comparable price, as well as experience nullification of any newly created FLEX trades which may cause confusion and prove burdensome to investors. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. Since the discontinuation of new series listed on the EM Index on July 1, 2019, multiple market participants have express their concern to the Exchange regarding interruption of their activity in EM Index series.

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. The Exchange respectfully requests that the Commission waive the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective. The Exchange believes that the proposed component threshold itself is necessary to implement as soon as possible to protect investors and the public interest because it is designed to ensure that options on the EM Index will be able to continue to list in a manner that is in line with the index's objective, i.e., with the flexibility to capture the growth potential of continuously changing markets. Therefore, as the index expands the proposed threshold will allow for stability of such expansion and investor participation in options on this index will not be interrupted by discontinuation of new series. Also, as indicated above, the Exchange believes that the proposed component threshold protects investors and the public interest because it is more restrictive than the current threshold and is sufficient to detect on a periodic basis (every 6 months) significant increases or, more importantly, decreases that may pose risk of manipulation or disruption in the underlying securities. The Exchange believes that implementing the proposed amendment as soon as practicable serves to protect investors and the public interest because, without such an amendment, the Exchange may no longer list new weekly or monthly series on the EM Index. Without new series, investors will be unable to write optionality with weekly expiration dates in the upcoming weeks and, instead, will have to take their volume OTC and subject trades to counter party risk, will be unable to hedge positions in ETFs based on the EM Index (e.g. EEM), options on EEM and EM futures, and European-traded derivatives on the EM Index, will be unable to roll a

position in EM options that expire in July to a position in a series that expires in a later month with a favorable or comparable price, and will be unable to participate in any new FLEX series. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. As stated above, since the discontinuation of new series listed on the EM Index on July 1, 2019, multiple market participants have expressed their concern to the Exchange regarding the interruption of their trading in EM Index series. A waiver of the 30-day operative delay would allow the Exchange to resume the listing and maintenance of Friday-expiration weekly series as soon as possible. For these reasons the Exchange respectfully requests that the Commission waive the 30-day operative delay.

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

Not applicable.

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 5. Proposed rule text.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CBOE-2019-038]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend its Maintenance Listing Standards for Options on Certain Indexes under Rule 24.2.01(b)(2)

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 its maintenance listing standards for options on certain indexes under Rule 24.2.01(b)(2).

The text of the proposed rule change is provided in Exhibit 5.

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).

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

The Exchange proposes to amend the listing criteria in Rule 24.01(b) for options that overlie certain indexes. Specifically, Rule 24.2.01(b) establishes maintenance listing standards that apply to options on the MSCI Emerging Markets ("EM") Index. The proposed rule change does not impact options on the MSCI EAFE ("EAFE").⁵ Rule 24.2.01(b)(2), requires that the total number of component securities in the index may not increase or decrease by more than 35% from the number of component securities in the index at the time of its initial listing. Due to global market trends and the overall objectives of the EM Index, as described below, the EM Index no longer meets the

⁵ The Rule also governs options on the FTSE Emerging and FTSE Developed Europe indexes. The Exchange has not listed FTSE Developed Europe Index options and delisted FTSE Emerging Index options on January 5, 2018. See <http://www.cboe.com/publish/OptionClassDelistings/Class%20Delisting%20010518.pdf> (January 5, 2018).

maintenance listing standard set forth under Rule 24.2.01(b)(2), and, thus, the Exchange now seeks approval to amend its rules in order to continue to list series of options on the EM Index. Specifically, the Exchange proposes to amend Rule 24.4.01(b)(2) to provide an exception for the EM Index component securities in which the total of the component securities in the index may not increase or decrease more than 10% over the last six month period.

The EM Index is designed to capture large and mid-cap representation across emerging market countries. In particular, it is built to “be flexible enough to adjust quickly to a constantly changing opportunity set”, that is, emerging markets.⁶ It seeks “to capitalize on the unique attributes of these vibrant economies”, which includes “superior growth potential”.⁷ Indeed, EM has experienced a continuous rise in the number of its component securities, which has recently climbed to over a 35% increase from the number of its total initial components. When initially listed on the Exchange in 2015, the EM Index consisted of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. At that time, the EM Index had 834 constituents which covered approximately 85% of the free float-adjusted market capitalization in each country. Since its initial listing, Argentina,⁸ Pakistan,⁹ and Saudi

⁶ See MSCI Emerging Markets Index brochure (dated May 2019) located at: <https://www.msci.com/documents/1296102/15035999/USLetter-MIS-EM-May2019-cbr-en.pdf/fb580e1e-d54c-4c68-1314-977bbff69bd7?t=1559125400402>.

⁷ Id.

⁸ Added in June 2018.

Arabia¹⁰ have joined the list of countries represented in the EM Index, and its number of constituents has grown to a total of 1,194, which still covers approximately 85% of the free float-adjusted market capitalization in each country represented. As a result of the growth of the emerging markets represented, the index has experienced continued expansion. The Exchange notes that the cumulative average growth rate of the EM Index component securities since 2015 has averaged 4.5% every 6 months. In the 6-month window from January 2019 through July 2019 the EM Index experienced approximately a 6.2% increase in component securities, and, in the second quarter of 2019 alone, 26 Chinese stocks, 30 Saudi Arabian stocks, eight Argentinian stocks were added to the EM Index. Over recent years, the component securities of the EM Index have grown to a market capitalization of 5,521,075.33 (USD Millions) (up from 3,219,779.13 in 2016) and average market capitalization per constituent of 4,624.02 (up from 3,846.81 in 2016). In addition to this, the components securities have an average daily volume of over 42 billion, and an average daily volume per constituent of over 35 million. Additionally, the largest constituent in the EM Index currently only accounts for 4.67% of the weight of the EM Index.¹¹

Given the increasingly high number of constituents and capitalization of the EM Index, the deep and liquid markets for the securities underlying the index, and the low percentage each constituent comprises of the total EM Index weight, and the recent growth patterns, as well as the Exchange's expectations that these growth trends will

⁹ Added in June 2017.

¹⁰ Added in June 2018.

¹¹ See MSCI Emerging Markets Index fact sheet (dated June 28, 2019) located at: http://www.msci.com/resources/factsheets/index_fact_sheet/msci-emerging-markets-index-usd-price.pdf.

continue into the future, the concerns for market manipulation and/or disruption in the underlying markets are greatly reduced. The Exchange also notes that the proposed amended listing standard is designed to prevent more than 10% decreases over 6-month periods at a time, which, in turn, ensures that no significant decreases will occur over shorter periods of time that could potentially render the EM Index more susceptible to manipulation and/or disruption in the underlying markets.

Regarding the proposed threshold, the Exchange believes that 10% component securities changes applied every 6 months is sufficient to detect significant increases or, more importantly, successive decreases over time that could, in theory, reduce component securities to a point that might potentially raise concerns regarding manipulation of the index itself. The Exchange also notes that the proposed threshold is sufficient in monitoring for material increases that might potentially change the character of the index over which broad-based index options are issued; if the index grows too quickly it may raise surveillance issues and the Exchange must ensure it has the capacity to enforce its own rules so as for surveillance to continuously to be able to properly monitor the index. The Exchange also believes that the proposed threshold is wide enough to allow for the more rapid, shorter-term changes (e.g. an average 4.5% increase in constituents every 6 months since 2015) experienced by emerging markets that the EM Index is designed to capture. For example, the proposed standard would allow for the swift growth in the emerging markets like that of the most recent EM Index component increase of approximately 6.2% over the first 6 months of 2019, and, if in the second half of 2019, the component makeup of the index decreased 10% from its total in July, it would not be listed until compliant with the threshold. Under the current component threshold, which

measures a 35% decrease or increase from the EM Index's initial listing, such a swift, shorter-term change would likely not be detected and/or addressed, potentially exposing the underlying securities to increased risk of manipulation and/or disruption. The Exchange believes that the proposed threshold is more restrictive than the 35% threshold, which other exchanges also have in place¹², as it measures for smaller increases over shorter period of time, which is better aligned with the way the EM Index has continuously grown over the past three years and is expected to grow.¹³ The 10% over 6 month threshold is more restrictive because it will capture incremental changes in the component securities before they compound to greater, material levels of change, for which the 35% threshold allows. As the EM Index stands today, the current 35% threshold would allow for the component securities to decrease by approximately 54.5%, that is, from the current 1,194 component securities to 543 component securities, which is the number of component securities that would constitute just over a 35% decrease from the 834 component securities when initially listed. Therefore, the Exchange believes that the proposed threshold is more restrictive as it would not allow for such significant changes to occur. The Exchange notes that, theoretically, incremental decreases over a long period of time could evolve into a greater, material change like that described above,

¹² See NASDAQ Options Rules, Chapter XIV, Sec. 3(e).

¹³ The Exchange also notes that the generic listing standards applicable to ETPs listed on other national securities exchanges (e.g., Cboe BZX Exchange Rule 14.11(c)(3)(A)(ii)) do not include any requirements based on the increase or decrease in component securities, and instead only require that an ETP based on an index that includes non-U.S. component stocks includes at least 20 component securities, among other diversification, liquidity, and market cap requirements. As such, an ETP based on the EM Index would not be delisted based on a percentage increase or decrease in component securities as long as it continued to have at least 20 component securities. Therefore, the Exchange believes that the proposed threshold is more restrictive than the current standard for listing products on the EM Index.

however, this is unlikely given the extensive growth patterns of the EM Index over the recent years and the Exchange's expectation that similar growth will continue. The Exchange currently maintains "watch lists" made up of countries and indexes with large constituent count changes which it reviews at least quarterly. If the Exchange determines from its reviews that a downside change in an index's composition would affect the protection of investors, it may cease listing series on such index pursuant to Rule 5.4, even if the index is still compliant with the component security threshold. Furthermore, the Exchange notes that while a component threshold fixed at the point of initial listing may be aligned with an index that is meant to represent a relatively fixed constituent count reflection of large-cap stocks, such as the S&P 500 Index, this criteria is not compatible with the EM Index, which contain mid-cap components and is designed to be flexible to change over time as the represented markets change.

The Exchange represents that reducing the threshold and specifying a certain period of time from which the threshold is measured will not have an adverse impact on the Exchange's surveillance program. The Exchange will continue to use the same surveillance procedures currently utilized for each of the Exchange's other index options. Currently, the Exchange conducts formal semi-annual reviews, as well as intermediate reviews on at least a quarterly basis to identify potential compliance concerns in connection with the continued listing standards in advance of its formal semi-annual index maintenance reviews. The Exchange believes the frequency of these reviews will continue to successfully identify and address continued listing compliance risks for the EM Index.

EM options are currently listed for trading on the Exchange. The Exchange generally adds new series after an expiration, which allows trading to commence in the new series on the first trading day after the expiration date. The Exchange currently lists EM options that expire monthly, as well as Friday-expiring weekly options. In addition to this, the Exchange offers FLEX options on this index, which may only be listed if the standard options on an index are authorized to be listed. Specifically, additional series of weekly EM options may no longer be scheduled to be added, nor will additional monthly series after expiration on July 19, 2019, which would allow trading to commence in the additional series on the next trading day of July 22, 2019. Without this amendment, EM options cannot meet the continuing listing criteria of Rule 24.2.01(b), specifically the criteria under (b)(2), which will prevent the Exchange from adding weekly and monthly EM options.

Market participants have already begun to express concern to the Exchange regarding interruption in their trading of series on the EM Index. Indeed, market participants that intend to write optionality with weekly expiration dates in the upcoming weeks will, instead, have to take their volume OTC. This poses counter party risks to which a market participant would not otherwise have exposure if series were available on the EM Index. The inability to add the EM options would be a detriment to market participants seeking to hedge positions in ETPs based on the EM Index, options on EEM and EM futures, and European-traded derivatives on the EM Index. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. Additionally, to the extent market participants

want to roll a position in EM options that expire in July to series at a later expiration date and at a favorable or comparable price, they will be prevented from doing so without this amendment. Furthermore, in the time in which the Exchange may not list additional series on EM, FLEX trades which may result in the creation of new FLEX series will be nullified, which may cause confusion and prove burdensome to market participants.

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.¹⁴ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁵ 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)¹⁶ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange does not believe that the EM Index is easily susceptible to manipulation. This index is a broad-based index and has high market

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(5).

¹⁶ Id.

capitalization. As described above, the EM Index is comprised of 1,194 component securities, the component securities have a market capitalization of 5,521,075.33 (USD Millions) and an average daily volume of over 42 billion, and no single component comprises more than 4.67% of the index, making it not easily subject to market manipulation.

The proposed change will 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, because it is designed to allow the Exchange to continue to list EM options in a manner that is aligned with the EM Index's objective to be flexible enough to adjust quickly to constantly changing emerging markets and capitalize on their "superior growth potential", while also ensuring that its underlying markets do not become susceptible to manipulation and/or disruption by monitoring for significant component changes (importantly, decreases) over a shorter-term period of time, which is better aligned with the way in which emerging markets change over time. The Exchange believes that the 10% component threshold is sufficient to detect significant decreases that may pose risk of manipulation or disruption in the underlying securities, while also being wide enough to allow for the rapid and continuous changes emerging markets experience that the EM Index is designed to capture. The Exchange believes this protects investors by allowing the continued listing of EM Index options as the EM Index continues to change (as it is designed to do), and therefore the continued, uninterrupted investor participation in such options, while also ensuring that the underlying securities do not become susceptible to risk of manipulation and/or disruption.

The Exchange believes that the proposed change serves to protect investors and the public interest because it is more restrictive than the current component threshold, as well as component thresholds on other exchanges.¹⁷ As stated, the current 35% threshold would allow for significant decreases in the number of component securities, whereas the proposed threshold allows only for smaller decreases in the component securities captured over shorter periods of time, which is in line with the more rapid way in which the EM Index changes and ensures component changes are flagged prior to becoming greater, material changes to the EM Index. Given the historical growth trends and the Exchange's expectations that these growth trends will continue into the future for the EM Index, the Exchange does not believe that incremental decreases will aggregate to a material decrease. The Exchange maintains and monitors its constituent and country watch list, and, if it determines that a component change adversely impacts investors, it may cease listing series on an index pursuant to Rule 5.4, even if the index is still compliant with the threshold.

In addition to this, because a total component securities standard is not essential to the continued listing standards for EM Index-based products, the Exchange believes the proposed change is not a novel change and serves to protect investors as it is an additional protection against potential manipulation and/or disruption in the underlying securities in a manner that maintains stability during both upside and downside swings, as well as the integrity of the index continuously over time.

As stated above, without this amendment, the Exchange is no longer able to list new series of weekly or monthly options on the EM Index. The Exchange believes that

¹⁷ See supra note 12.

the proposed amendment is necessary for the protection of investors and the public interest, as without such an amendment, EM options cannot meet the continuing listing criteria under Rule 24.2.01(b)(2), which will prevent the Exchange from adding the weekly and monthly EM options. Indeed, market participants that intend to write optionality with weekly expiration dates in the upcoming weeks will, instead, have to take their volume OTC. OTC poses counter party risks for investors that they would not normally otherwise choose to be subject to if series on the EM Index were available for trading. The inability to add the EM options would be a detriment to market participants seeking to hedge positions in ETPs based on the EM Index (e.g. EEM), options on EEM and EM futures, and European-traded derivatives on the EM Index. Further, there are ETPs that use options on the EM Index as part of their investment strategy. Without the ability to add the EM options, these ETPs could be unable to achieve their investment objective, to the detriment of investors. Additionally, market participants that wish to roll a position in EM options that expire in July to a position in a series with a later expiration month at a favorable or comparable price, will be prevented from doing so without this amendment. Furthermore, in the time in which the Exchange may not list additional series on EM, FLEX trades which may result in the creation of new FLEX series will be nullified, which may cause confusion and prove burdensome to market participants. Since the discontinuation of new series listed on the EM Index on July 1, 2019, multiple market participants have express their concern to the Exchange regarding interruption of their activity in EM Index series.

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 does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of Act as the proposed rule change will facilitate the continued listing and trading of options on the EM Index, on which series are already listed and readily available for all market participants to trade, as will be the case for series added following the EM Index's compliance with the implementation of the proposed continued listing standards.

The Exchange does not believe that the proposed change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of Act as the proposed rule change does not alter the types of products offered by the Exchange in which market participants already may choose to participate. The proposed change merely allows the Exchange to continue listing certain index options in light of shifting global markets and continue to adequately surveil for any concerning changes.

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 Act¹⁸ and Rule 19b-4(f)(6)¹⁹ 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:

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-2019-038 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-2019-038. 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

¹⁸ 15 U.S.C. 78s(b)(3)(A).

¹⁹ 17 CFR 240.19b-4(f)(6).

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-2019-038 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.²⁰

Secretary

²⁰ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

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Rules of Cboe Exchange, Inc.

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Rule 24.2. Designation of the Index

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. . . Interpretations and Policies:

.01 Initial and Maintenance Listing Criteria for MSCI EAFE Index (EAFE), MSCI Emerging Markets Index (EM), FTSE Emerging Index (FTSE Emerging), and FTSE Developed Europe Index (FTSE Developed) Index Options.

(a) No change.

(b) The following maintenance listing standards shall apply to each class of index options originally listed pursuant to paragraph .01(a).

(1) No change.

(2) The total number of component securities in the index may not increase or decrease by more than thirty-five percent (35%) from the number of component securities in the index at the time of its initial listing, except for the EM Index, in which the total number of component securities in the EM Index may not increase or decrease by more than ten percent (10%) over the last six month period.

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