

OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 19

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

File No.* SR - 2019 - * 109

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"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input 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) *

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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 its financial incentive programs for Global Trading Hours Lead Market-Makers in VIX.

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 * Corinne Last Name * Klott
 Title * Assistant General Counsel
 E-mail * ckloft@cboe.com
 Telephone * (312) 786-7793 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 11/15/2019

By Corinne Klott

(Name *)

Assistant 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.

ckloft@cboe.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

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 *

Add Remove View

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

Add Remove View

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

Add Remove View

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

Add Remove View

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

Add Remove View

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 financial incentive programs for Global Trading Hours Lead Market-Makers in VIX. 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 November 15, 2019.

(b) Please refer questions and comments on the proposed rule change to Patrick Sexton, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7467, or Corinne Klott (312) 786-7793, 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

The Exchange proposes to amend its Global Trading Hours (“GTH”) VIX Lead Market-Makers (“LMMs”) Incentive Program, effective November 18, 2019.

Background

By way of background, pursuant to the Fees Schedule, a LMM in VIX will receive a rebate for that month in the amount of a pro-rata share of a compensation pool equal to \$20,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) if the LMM(s): (1) provide continuous electronic quotes during GTH that meet or

exceed the following heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month:

Premium	Expiring		Near Term		Mid Term		Long Term	
Level	7 days or less		8 days to 60 days		61 days to 270 days		271 days or Greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0-\$3.00	\$0.50	25	\$0.40	50	\$0.50	25	\$1.00	10
\$3.01-\$5.00	\$0.75	15	\$0.60	30	\$0.75	15	\$1.50	7
\$5.01-\$10.00	\$1.00	10	\$0.80	20	\$1.00	10	\$2.00	5
\$10.01-\$30.00	\$3.00	5	\$1.00	10	\$3.00	5	\$5.00	3
\$30.01-\$100.00	\$5.00	3	\$3.00	5	\$5.00	3	\$7.00	2
Greater Than \$100.00	\$10.00	1	\$5.00	1	\$10.00	1	\$12.00	1

Additionally, a GTH LMM in VIX is not currently obligated to satisfy the heightened quoting standards described in the table above. Rather, an LMM is eligible to receive the rebate if they satisfy the heightened quoting standards above, which the Exchange believes encourage LMMs to provide liquidity during GTH. The Exchange may also consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances.

Proposed Change

The Exchange now wishes to amend the heightened quoting standard under the GTH VIX LMM incentive program. Particularly, the Exchange proposes to eliminate the current size and width requirements and in their place adopt a maximum allowable width standard. The Exchange notes that the proposed change is designed to make the heightened quoting standard easier to attain. The Exchange believes that by easing the standard, it will encourage VIX GTH LMM(s) who cannot meet the current standard to continue to provide liquidity in VIX during GTH. As such, the Exchange proposes to slightly ease the criteria

and amend the program to provide that in order to receive the rebate under the program, an LMM must: provide continuous electronic quotes during GTH that meet or exceed the following heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month¹:

Premium Level	Maximum Allowable Width
\$0.00-\$100.00	\$10.00
\$100.01 - \$200.00	\$16.00
Greater than \$200.000	\$24.00

As is the case today, VIX GTH LMM(s) will still not be obligated to satisfy the amended heightened quoting standard. The Exchange believes the program, as amended, will encourage VIX GTH LMM(s) to provide liquidity in VIX during GTH. The Exchange believes the rebate provided under the VIX GTH LMM program continues to encourage VIX GTH LMM(s) to provide liquidity in VIX options during GTH, including during the opening². Additionally, the Exchange notes that a VIX GTH LMM may need to undertake expenses to be able to quote at a significantly heightened standard in VIX, such as purchase more logical connectivity based on its increased capacity needs.

(b) Statutory Basis

¹ For the month of November 2019, the Exchange proposes to apply the heightened quoting standard from November 18 to November 30, in light of the mid-month proposal to modify the heightened quoting standard. The Exchange also notes the previous LMM term expired October 1, 2019, and the Exchange intends to appoint a new LMM effective November 18, 2019. Such LMM will be eligible for the full financial payment for November 2019 if the LMM meets the heightened quoting standard from November 18 to November 30.

² The Exchange notes that quotes qualify only when the series is open (i.e., pre-open quotes do not count).

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.³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴ 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 Section 6(b)(4) of the Act,⁵ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes amending the GTH VIX LMM Incentive Program is reasonable as a VIX GTH LMM will still be eligible to receive the proposed financial payment. The Exchange believes the monthly payment continues to be commensurate with the heightened quoting standard, even as amended. The Exchange believes the proposed changes to the heightened quoting standard are reasonable and appropriate as the changes result in a more attainable incentive program, while still acting as an incentive for a VIX

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

⁵ 15 U.S.C. 78f(b)(4).

GTH LMM to provide liquid and active markets in VIX during GTH. The Exchange believes it is equitable and not unfairly discriminatory to continue to only offer this financial incentive to VIX GTH LMM(s) because it benefits all market participants trading VIX during GTH to encourage the LMM(s) to satisfy the heightened quoting standard, which ensures, and may even provide increased, liquidity, which thereby may provide more trading opportunities and tighter spreads. Indeed, the Exchange notes that the VIX GTH LMM(s) serve a crucial role in providing quotes and the opportunity for market participants to trade VIX, which can lead to increased volume, providing a robust market. The Exchange ultimately wishes to ensure a GTH LMM is adequately incentivized to provide liquid and active markets in VIX during GTH to encourage liquidity. The Exchange believes that the program, even as amended, will continue to encourage increased quoting to add liquidity in VIX, thereby protecting investors and the public interest. The Exchange also notes that a VIX GTH LMM may have added costs each month that it needs to undertake in order to satisfy that heightened quoting standard (e.g., having to purchase additional logical connectivity). The Exchange believes the proposed amendments are equitable and not unfairly discriminatory because they apply to any TPH that is appointed as a VIX GTH LMM equally. Additionally, if a VIX GTH LMM does not satisfy the heightened quoting standard for any given month, then it simply will not receive the offered payment for that month.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any

burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because it applies uniformly to similarly situated VIX GTH LMMs, which market participants play a crucial role in providing active and liquid markets in VIX during GTH. The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because VIX options are a proprietary product that will only be traded on Cboe Options. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

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 the Act⁶ and Rule 19b-4(f)(2)⁷ thereunder.

(b) The Exchange designates that the proposed rule change establishes or changes a due, fee, or other charge imposed by the Exchange, which renders the proposed rule change effective upon filing with the Securities and Exchange Commission (the “Commission”). At any time within 60 days of the filing of this proposed rule change, the

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(2).

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

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

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-2019-109]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend its Financial Incentive Programs for Global Trading Hours Lead Market-Makers in VIX

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 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 financial incentive programs for Global Trading Hours Lead Market-Makers in VIX. 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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 its Global Trading Hours (“GTH”) VIX Lead Market-Makers (“LMMs”) Incentive Program, effective November 18, 2019.

Background

By way of background, pursuant to the Fees Schedule, a LMM in VIX will receive a rebate for that month in the amount of a pro-rata share of a compensation pool equal to \$20,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) if the LMM(s): (1) provide continuous electronic quotes during GTH that meet or exceed the following heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month:

Premium	Expiring		Near Term		Mid Term		Long Term	
Level	7 days or less		8 days to 60 days		61 days to 270 days		271 days or Greater	
	Width	Size	Width	Size	Width	Size	Width	Size
\$0-\$3.00	\$0.50	25	\$0.40	50	\$0.50	25	\$1.00	10
\$3.01-\$5.00	\$0.75	15	\$0.60	30	\$0.75	15	\$1.50	7
\$5.01-\$10.00	\$1.00	10	\$0.80	20	\$1.00	10	\$2.00	5
\$10.01-\$30.00	\$3.00	5	\$1.00	10	\$3.00	5	\$5.00	3

\$30.01-\$100.00	\$5.00	3	\$3.00	5	\$5.00	3	\$7.00	2
Greater Than \$100.00	\$10.00	1	\$5.00	1	\$10.00	1	\$12.00	1

Additionally, a GTH LMM in VIX is not currently obligated to satisfy the heightened quoting standards described in the table above. Rather, an LMM is eligible to receive the rebate if they satisfy the heightened quoting standards above, which the Exchange believes encourage LMMs to provide liquidity during GTH. The Exchange may also consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances.

Proposed Change

The Exchange now wishes to amend the heightened quoting standard under the GTH VIX LMM incentive program. Particularly, the Exchange proposes to eliminate the current size and width requirements and in their place adopt a maximum allowable width standard. The Exchange notes that the proposed change is designed to make the heightened quoting standard easier to attain. The Exchange believes that by easing the standard, it will encourage VIX GTH LMM(s) who cannot meet the current standard to continue to provide liquidity in VIX during GTH. As such, the Exchange proposes to slightly ease the criteria and amend the program to provide that in order to receive the rebate under the program, an LMM must: provide continuous electronic quotes during GTH that meet or exceed the following heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month³:

³ For the month of November 2019, the Exchange proposes to apply the heightened quoting standard from November 18 to November 30, in light of the mid-month proposal to modify the heightened quoting standard. The Exchange also notes the previous LMM term expired October 1, 2019, and the Exchange intends to

Premium Level	Maximum Allowable Width
\$0.00-\$100.00	\$10.00
\$100.01 - \$200.00	\$16.00
Greater than \$200.000	\$24.00

As is the case today, VIX GTH LMM(s) will still not be obligated to satisfy the amended heightened quoting standard. The Exchange believes the program, as amended, will encourage VIX GTH LMM(s) to provide liquidity in VIX during GTH. The Exchange believes the rebate provided under the VIX GTH LMM program continues to encourage VIX GTH LMM(s) to provide liquidity in VIX options during GTH, including during the opening⁴. Additionally, the Exchange notes that a VIX GTH LMM may need to undertake expenses to be able to quote at a significantly heightened standard in VIX, such as purchase more logical connectivity based on its increased capacity needs.

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.⁵ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁶ requirements that the rules of an exchange be designed to prevent

appoint a new LMM effective November 18, 2019. Such LMM will be eligible for the full financial payment for November 2019 if the LMM meets the heightened quoting standard from November 18 to November 30.

⁴ The Exchange notes that quotes qualify only when the series is open (i.e., pre-open quotes do not count).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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 Section 6(b)(4) of the Act,⁷ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes amending the GTH VIX LMM Incentive Program is reasonable as a VIX GTH LMM will still be eligible to receive the proposed financial payment. The Exchange believes the monthly payment continues to be commensurate with the heightened quoting standard, even as amended. The Exchange believes the proposed changes to the heightened quoting standard are reasonable and appropriate as the changes result in a more attainable incentive program, while still acting as an incentive for a VIX GTH LMM to provide liquid and active markets in VIX during GTH. The Exchange believes it is equitable and not unfairly discriminatory to continue to only offer this financial incentive to VIX GTH LMM(s) because it benefits all market participants trading VIX during GTH to encourage the LMM(s) to satisfy the heightened quoting standard, which ensures, and may even provide increased, liquidity, which thereby may provide more trading opportunities and tighter spreads. Indeed, the Exchange notes that the VIX GTH LMM(s) serve a crucial role in providing quotes and

⁷ 15 U.S.C. 78f(b)(4).

the opportunity for market participants to trade VIX, which can lead to increased volume, providing a robust market. The Exchange ultimately wishes to ensure a GTH LMM is adequately incentivized to provide liquid and active markets in VIX during GTH to encourage liquidity. The Exchange believes that the program, even as amended, will continue to encourage increased quoting to add liquidity in VIX, thereby protecting investors and the public interest. The Exchange also notes that a VIX GTH LMM may have added costs each month that it needs to undertake in order to satisfy that heightened quoting standard (e.g., having to purchase additional logical connectivity). The Exchange believes the proposed amendments are equitable and not unfairly discriminatory because they apply to any TPH that is appointed as a VIX GTH LMM equally. Additionally, if a VIX GTH LMM does not satisfy the heightened quoting standard for any given month, then it simply will not receive the offered payment for that month.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because it applies uniformly to similarly situated VIX GTH LMMs, which market participants play a crucial role in providing active and liquid markets in VIX during GTH. The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because VIX options are a proprietary product that will only be traded on Cboe Options. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market

participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁸ and paragraph (f) of Rule 19b-4⁹ 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

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2019-109 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-2019-109. 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-2019-109 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.¹⁰

Secretary

¹⁰ 17 CFR 200.30-3(a)(12).

Cboe Exchange, Inc.
Fees Schedule - November 18, 2019

GTH VIX LMM Incentive Program										
Capacity	Capacity Code	Premium Level	[Expiring]		[Near Term]		[Mid Term]		[Long Term]	
			[7 days or less]		[8 days to 60 days]		[61 days to 270 days]		[271 days or Greater]	
			Maximum Allowable							
			Width	[Size]	[Width]	[Size]	[Width]	[Size]	[Width]	[Size]
LMM	M	\$0.00 - [3]100.00	\$10.[5]00	[25]	[\$0.40]	[50]	[\$0.50]	[25]	[\$1.00]	[10]
		\$[3]100.01 - \$[5]200.00	\$[0]16.[75]00	[15]	[\$0.60]	[30]	[\$0.75]	[15]	[\$1.50]	[7]
		[\$5.01 - \$10.00]	[\$1.00]	[10]	[\$0.80]	[20]	[\$1.00]	[10]	[\$2.00]	[5]
		[\$10.01 - \$30.00]	[\$3.00]	[5]	[\$1.00]	[10]	[\$3.00]	[5]	[\$5.00]	[3]
		[\$30.01 - \$100.00]	[\$5.00]	[3]	[\$3.00]	[5]	[\$5.00]	[3]	[\$7.00]	[2]
		Greater than \$[1]200.00	\$[10]24.00	[1]	[\$5.00]	[1]	[\$10.00]	[1]	[\$12.00]	[1]

For VIX if the appointed LMM provides continuous electronic quotes during Global Trading Hours that meet or exceed the above heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of a pro-rata share of a compensation pool for VIX equal to \$20,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month. For example, if two LMMs are appointed in VIX, a compensation pool will be established each month for VIX totaling \$40,000. If for example, each LMM meets the heightened continuous quoting standard in VIX during a month, each will receive \$20,000. If only one LMM meets the heightened continuous quoting standard in VIX during a month, that LMM would receive \$40,000 and the other one would receive nothing. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. For [October] November 2019, the heightened quoting standard will only apply for the period of [October 7 - October 31] November 18 - November 30.

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