

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 16

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

File No. \* SR 2022 - \* 014

Amendment No. (req. for Amendments \*)

Filing by Cboe BZX 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) \*

☐

Pilot

☐

Extension of Time Period for  
Commission Action \*

☐

Date Expires \*

Rule

☐

19b-4(f)(1)

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19b-4(f)(4)

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19b-4(f)(2)

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19b-4(f)(5)

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19b-4(f)(3)

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19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) \*

☐

Section 806(e)(2) \*

☐

Security-Based Swap Submission pursuant to the  
Securities Exchange Act of 1934

Section 3C(b)(2) \*

☐

Exhibit 2 Sent As Paper Document

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Exhibit 3 Sent As Paper Document

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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 Fee Schedule.

## 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 \*

cklott@cboe.com

Telephone \*

(312) 786-7793

Fax

## Signature

Pursuant to the requirements of the Securities Exchange of 1934, Cboe BZX Exchange, Inc. has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date

03/01/2022

(Title \*)

By

Laura G. Dickman

(Name \*)

VP, Associate General Counsel

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

*Laura Dickman*

Date: 2022.03.01  
16:12:58 -06'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information \***

Add Remove View

22-014 (BZX Options Fees - March 20

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

22-014 (BZX Options Fees - March 20

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 Advanced 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 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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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.

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Exhibit Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

Add Remove View

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.

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Exhibit Sent As Paper Document

**Exhibit 4 - Marked Copies**

Add Remove View

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

22-014 (BZX Options Fees - March 20

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) Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> Cboe BZX Exchange, Inc. (the “Exchange” or “BZX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend its Fee Schedule. The text of the proposed rule change is provided as 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 March 1, 2022.

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

**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 fee schedule for its equity options platform (“BZX Options”) by removing certain fee codes in light of the delisting of XSP options on the Exchange effective March 1, 2022.

The Exchange proposes to eliminate fee codes associated with orders in XSP options as the Exchange has delisted XSP options for trading on the Exchange.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

Specifically, under the Fees and Associated Fee Codes section of the Fee Schedule, the proposed rule change removes fees codes XA, XC, XF, XM, XN, XO, XP, XR and XY, all of which were appended to various orders in XSP options. The proposed rule change also removes references to fee codes associated with orders in XSP options from (i) the Customer Penny Add Volume Tiers in footnote 1, (ii) Firm, Broker Dealer, and Joint Back Office Penny Add Volume Tiers in footnote 2, (iii) NBBO Setter Tiers in footnote 4, (iv) Market Maker Penny Pilot Add Volume Tiers in footnote 6, (v) Professional Penny Add Volume Tiers in footnote 9 and (vi) Away Market Maker Penny Add Volume Tier in footnote 10.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>4</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with the objectives of Section 6(b)(5)<sup>5</sup> 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

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<sup>3</sup> 15 U.S.C. 78f.

<sup>4</sup> 15 U.S.C. 78f(b)(4).

<sup>5</sup> 15 U.S.C. 78f(b)(5).

the public interest, and, particularly, is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it does not change the fees or rebates assessed by the Exchange, but rather updates the Fee Schedule to remove fee codes associated with orders in XSP options, as well as references in the Fee Schedule to such orders, because the Exchange no longer lists XSP options for trading. Therefore, the proposed rule change is reasonably designed to update the Fee Schedule to accurately reflect the Exchange's current product offerings and is designed to reduce any potential confusion regarding the availability of XSP options on the Exchange. The Exchange also believes that the proposed rule change is equitable and not unfairly discriminatory because all Members are equally unable to submit orders in the delisted product, and the removal of references to orders in XSP options merely updates the Fee Schedule to reflect this.

**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 because the proposed rule change merely updates the Fee Schedule to reflect that a product (i.e., XSP options) has been delisted and is designed to reduce any potential confusion without having any impact on competition.

**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 Act<sup>6</sup> and Rule 19b-4(f)(2)<sup>7</sup> 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 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.

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<sup>6</sup>        15 U.S.C. 78s(b)(3)(A).

<sup>7</sup>        17 CFR 240.19b-4(f)(2).

**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-CboeBZX-2022-014]

[Insert date]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend its Fee Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on [insert date], Cboe BZX Exchange, Inc. (the “Exchange” or “BZX”) 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 BZX Exchange, Inc. (the “Exchange” or “BZX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend its Fee Schedule. 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://markets.cboe.com/us/equities/regulation/rule\\_filings/bzx/](http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/)), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 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 fee schedule for its equity options platform ("BZX Options") by removing certain fee codes in light of the delisting of XSP options on the Exchange effective March 1, 2022.

The Exchange proposes to eliminate fee codes associated with orders in XSP options as the Exchange has delisted XSP options for trading on the Exchange. Specifically, under the Fees and Associated Fee Codes section of the Fee Schedule, the proposed rule change removes fees codes XA, XC, XF, XM, XN, XO, XP, XR and XY, all of which were appended to various orders in XSP options. The proposed rule change also removes references to fee codes associated with orders in XSP options from (i) the Customer Penny Add Volume Tiers in footnote 1, (ii) Firm, Broker Dealer, and Joint Back Office Penny Add Volume Tiers in footnote 2, (iii) NBBO Setter Tiers in footnote 4, (iv) Market Maker Penny Pilot Add Volume Tiers in footnote 6, (v) Professional Penny Add Volume Tiers in footnote 9 and (vi) Away Market Maker Penny Add Volume Tier in footnote 10.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>3</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>4</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with the objectives of Section 6(b)(5)<sup>5</sup> 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, and, particularly, is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it does not change the fees or rebates assessed by the Exchange, but rather updates the Fee Schedule to remove fee codes associated with orders in XSP options, as well as references in the Fee Schedule to such orders, because the Exchange no longer lists XSP options for trading. Therefore, the proposed rule change is reasonably designed to update the Fee Schedule to accurately reflect the Exchange's current product offerings and is designed to reduce any potential confusion

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<sup>3</sup> 15 U.S.C. 78f.

<sup>4</sup> 15 U.S.C. 78f(b)(4).

<sup>5</sup> 15 U.S.C. 78f(b)(5).

regarding the availability of XSP options on the Exchange. The Exchange also believes that the proposed rule change is equitable and not unfairly discriminatory because all Members are equally unable to submit orders in the delisted product, and the removal of references to orders in XSP options merely updates the Fee Schedule to reflect this.

**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 because the proposed rule change merely updates the Fee Schedule to reflect that a product (i.e., XSP options) has been delisted and is designed to reduce any potential confusion without having any impact on competition.

**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 Act<sup>6</sup> and paragraph (f) of Rule 19b-4<sup>7</sup> 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

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<sup>6</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>7</sup> 17 CFR 240.19b-4(f).

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](mailto:rule-comments@sec.gov). Please include File Number SR-CboeBZX-2022-014 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-CboeBZX-2022-014. 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-CboeBZX-2022-014 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.<sup>8</sup>

Secretary

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<sup>8</sup> 17 CFR 200.30-3(a)(12).

**Cboe BZX Options Exchange Fee Schedule****Effective [January 4]March 1, 2022**

\* \* \* \* \*

**Fee Codes and Associated Fees:**

Fee Code	Description	Fee/(Rebate)
	* * * * *	
[XA <sup>9</sup> ]	[Adds liquidity (Pro), XSP]	[(0.25)]
[XC]	[Removes liquidity (Customer), XSP]	[0.50]
[XF <sup>2</sup> ]	[Adds liquidity (Firm/BD/JBO), XSP]	[(0.25)]
[XM <sup>4,6</sup> ]	[Adds liquidity (MM), XSP]	[(0.29)]
[XN <sup>4,10</sup> ]	[Adds liquidity (Away MM), XSP]	[(0.26)]
[XO]	[Routed (Customer), XSP]	[0.29]
[XP]	[Removes liquidity (Non-Customer), XSP]	[0.50]
[XR]	[Routed (Non-Customer), XSP]	[0.90]
[XY <sup>1</sup> ]	[Adds liquidity (Customer), XSP]	[(0.25)]

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**Footnotes:****<sup>1</sup> Customer Penny Add Volume Tiers**

Applicable to [the following] fee code[s:] PY [and XY].

Tier	Rebate Per Contract to Add	Required Criteria
Tier 1	(\$0.35)	Member has an ADAV in Customer orders $\geq$ 0.05% of average OCV
Tier 2	(\$0.48)	Member has an ADV $\geq$ 0.40% of average OCV
Tier 3	(\$0.51)	(1) Member has an ADAV in Customer orders $\geq$ 0.50% of average OCV; and (2) Member has an ADAV in Market Maker orders $\geq$ 2.75% of average OCV

Tier 4	(\$0.52)	Member has an ADAV in Customer orders $\geq$ 1.30% of average OCV
Tier 5	(\$0.53)	(1) Member has an ADAV in Customer orders $\geq$ 2.00% of average OCV; and (2) Member has an ADAV in Customer Non-Penny orders $\geq$ 0.50% of average OCV
Customer Cross-Asset Add Tier	(\$0.52)	(1) Member has an ADAV in Customer orders $\geq$ 0.50% of average OCV; and (2) Member has on BZX Equities an ADAV $\geq$ 0.50% of average TCV

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**<sup>2</sup> Firm, Broker Dealer, and Joint Back Office Penny Add Volume Tiers**

Applicable to [the following] fee code[s:] PF [and XF].

\* \* \* \* \*

**<sup>4</sup> NBBO Setter Tiers**Applicable to the following fee codes: PM[, ] and PN[, XM and XN]. Applicable only to orders which establish a new NBBO.

\* \* \* \* \*

**<sup>6</sup> Market Maker Penny Pilot Add Volume Tiers**

Applicable to [the following] fee code[s:] PM [and XM].

\* \* \* \* \*

**<sup>9</sup> Professional Penny Add Volume Tiers**

Applicable to [the following] fee code[s:] PA [and XA].

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**<sup>10</sup> Away Market Maker Penny Add Volume Tier**

Applicable to [the following] fee code[s:] PN [and XN].

Tier	Rebate Per Contract to Add	Required Criteria
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Tier 1	(\$0.38)	Member has an ADAV in Non-Customer Non-Market Maker orders of $\geq 0.50\%$ of average OCV
Tier 2	(\$0.45)	(1) Member has an ADAV in Away MM/Firm/BD/JBO orders $\geq 1.05\%$ of average OCV; (2) Member has an ADV $\geq 1.95\%$ of average OCV; and (3) Member has an ADAV in Non-Customer Non-Penny orders $\geq 0.20\%$ of average OCV

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