

Required fields are shown with yellow backgrounds and asterisks.

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

File No. * SR 2024 - * 017

Amendment No. (req. for Amendments *)

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"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<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 Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
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Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>

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

Description

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

The Exchange proposes to amend fees for the Cboe Silexx platform.

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 * Sarah	Last Name * Williams
Title * Senior Counsel	
E-mail * swilliams@cboe.com	
Telephone * (224) 461-6793	Fax

Signature

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

Date 04/01/2024	(Title *)
By Kyle Murray	VP, Associate General Counsel
(Name *)	

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.

Kyle Murray Date: 2024.04.01
10:36:18 -05'00'

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

24-017 (Silexx Fees April 2024) 19b4.

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

24-017 (Silexx Fees April 2024) Exhib

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

Add Remove View

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 Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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 Sent As Paper Document

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

24-017 (Silexx Fees April 2024) Exhibi

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 fees for the Cboe Silexx platform. 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 April 1, 2024.

(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 Sarah Williams, (224) 461-6793, Cboe Exchange, Inc., 433 West Van Buren Street, Chicago, Illinois 60607.

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 fees for the Cboe Silexx platform (“Silexx platform”),¹ effective April 1, 2024.

By way of background, the Silexx platform consists of a “front-end” order entry and management trading platform (also referred to as the “Silexx terminal”) for listed stocks and options that supports both simple and complex orders, and a “back-end” platform which provides a connection to the infrastructure network. From the Silexx platform (i.e., the

¹ Cboe Silexx, Inc. (“Cboe Silexx”), which is a subsidiary of the Exchange’s parent, Cboe Global Markets, Inc., offers the Silexx platform.

collective front-end and back-end platform), a Silexx user has the capability to send option orders to U.S. options exchanges, send stock orders to U.S. stock exchanges (and other trading centers), input parameters to control the size, timing, and other variables of their trades, and also includes access to real-time options and stock market data, as well as access to certain historical data. The Silexx platform is designed so that a user may enter orders into the platform to send to an executing broker (including Trading Permit Holders (“TPHs”)) of its choice with connectivity to the platform, which broker will then send the orders to Cboe Options (if the broker is a TPH) or other U.S. exchanges (and trading centers) in accordance with the user’s instructions. The Silexx front-end and back-end platforms are a software application that is installed locally on a user’s desktop. Silexx grants users licenses to use the platform, and a firm or individual does not need to be a TPH to license the platform.

The Exchange offers several versions of its Silexx platform. Originally, the Exchange offered the following versions of the Silexx platform: Basic, Pro, Sell-Side, Pro Plus Risk and Buy-Side Manager (“Legacy Platforms”). The Legacy Platforms are designed so that a User may enter orders into the platform to send to the executing broker, including TPHs, of its choice with connectivity to the platform. The executing broker can then send orders to Cboe Options (if the broker-dealer is a TPH) or other U.S. exchanges (and trading centers) in accordance with the User’s instructions. Users cannot directly route orders through any of the Legacy Platforms to an exchange or trading center nor is the platform integrated into or directly connected to Cboe Options’ System. In 2019, the Exchange made available a new version of the Silexx platform, Silexx FLEX, which supports the trading of FLEX Options and allows authorized Users with direct access to the Exchange to establish connectivity and

submit orders directly to the Exchange.² In 2020, the Exchange made an additional version of the Silexx platform available, Cboe Silexx, which supports the trading of non-FLEX Options and allows authorized Users with direct access to the Exchange to establish connectivity and submit orders directly to the Exchange.³ Cboe Silexx is essentially the same platform as Silexx FLEX, with the same applicable functionality, except that it additionally supports non-FLEX trading. Use of the Silexx platform is completely optional.

The Exchange has adopted fees for additional functionality that users may purchase in connection with their use of the Silexx platform. The Exchange offers each type of additional functionality as a convenience and use of each type of additional functionality is discretionary and not compulsory. For example, for the Legacy platforms, the Exchange assesses a fee for use of the “Staged Orders, Drop Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router” feature. This functionality provides firms with the ability to receive staged orders, receive “drop copies” of order fill messages, and route orders to executing brokers through a third-party FIX router.

By way of background, Financial Information eXchange (“FIX”) is an industry-standard, non-proprietary API that permits market participants to connect to exchanges. FIX connectivity provides users with the ability to receive “drop copy” order fill messages from their executing brokers. These fill messages allow customers to update positions, risk

² See Securities Exchange Act Release No. 87028 (September 19, 2019) 84 FR 50529 (September 25, 2019) (SR-CBOE-2019-061). Only Users authorized for direct access and who are approved to trade FLEX Options may trade FLEX Options via Cboe Silexx. Only authorized Users and associated persons of Users may establish connectivity to and directly access the Exchange, pursuant to Rule 5.5 and the Exchange’s technical specifications.

³ See Securities Exchange Act Release No. 88741 (April 24, 2020) 85 FR 24045 (April 30, 2020) (SR-CBOE-2020-040). Only authorized Users and associated persons of Users may establish connectivity to and directly access the Exchange, pursuant to Rule 5.5 and the Exchange’s technical specifications.

calculations, and streamline back-office functions. Additionally, FIX connections can be updated to permit the platform to receive orders sent from another system and then route these orders through the platform for execution (staged orders) as well as provide users with the ability to route orders in various ways to executing brokers (such as designation of a market to which the broker is to route an order received from the platform and use of a broker's "smart router" functionality). Some users have connections to third-party FIX routers, who currently normalize the format of messages of their client. To the extent a FIX router has a connection to the Silexx platform, users that also have connections to these routers may elect to receive staged orders, drop copies, and order routing functionality through a FIX router. Additionally, the Silexx platform permits users to elect to receive daily transmission of equity order reports related to order users submit through the platform.

As noted above, for the Legacy Platforms, the Exchange assesses a fee for use of the "Staged Orders, Drop Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router" feature. Currently, the Exchange assesses a fee of \$500 per month per FIX connection, and such fee is waived for FLEX and Cboe Silexx. Similarly, the Exchange assesses a fee for orders routed via FIX into Cboe Silexx, applicable to each TPH broker to whom a TPH customer using a non-Cboe Silexx workstation sends orders electronically to a TPH broker's Silexx workstation. The fee is \$500 per month for each TPH broker with a Silexx workstation to which the TPH customer sends orders.

The Exchange now proposes to adopt an additional order routing fee for Cboe Silexx, effective April 1, 2024. Particularly, the Exchange proposes to adopt a "FIX order routing out of Cboe Silexx" fee which would be payable by each receiving trading firms (such as an executing broker) that maintains a FIX router connected to the Silexx platform

to receive orders electronically from a Silexx workstation, The proposed fee is \$500 per month per receiving trading firm, regardless of how many Silexx workstations it connects to.

The proposed fee is substantially similar to the "FIX order routing into Cboe Silexx" fee, which assesses \$500 per month for each receiving Trading Permit Holder that uses a non-Silexx workstation to send orders electronically into (as compared to out of) a TPH broker's Cboe Silexx workstation to which the TPH customer sends orders. Additionally, the Silexx Fees Schedule also currently provides for a "Staged Orders, Drop Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router" fee set forth in the Silexx Fees Schedule, which is applicable to Legacy Platforms and currently waived for FLEX and Cboe Silexx. As noted above, Silexx users that have connections to these third-party FIX routers may elect to receive staged orders, drop copies, and order routing functionality through the FIX route. Establishing the monthly fee for the Cboe Silexx platform will allow for Cboe Silexx's recoupment of the costs of maintaining and supporting FIX order routing out of Cboe Silexx to third-party entities.

(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.⁴ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁵

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

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)⁶ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. Additionally, the Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act, 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.

In particular, the Exchange believes the proposed monthly fee for FIX order routing out of Cboe Silexx is reasonable, equitable, and not unfairly discriminatory because the fee will apply uniformly to all receiving trading firms that elect to establish and maintain a FIX router connection to the Cboe Silexx platform. The Exchange notes that each additional type of Silexx functionality, including FIX order routing out of Cboe Silexx, are available to all market participants, and users have discretion to determine which, if any, types of functionality to purchase. The Exchange believes the monthly fee for FIX order routing out of Cboe Silexx functionality, as proposed, is reasonable, as the fee is the same as an analogous fee currently charged for similar functionality on the Legacy Platforms, and as well as for Cboe Silexx as it relates to FIX order routing into Cboe Silexx functionality.

⁶ Id.

Additionally, the Exchange believes the proposed fee is reasonable as it accounts for administrative costs that Cboe Silexx is incurring, but not charging users, to maintain support for these third-party FIX routers.

Finally, the Exchange notes that use of the platform is discretionary and not compulsory, as users can choose to route orders, including to Cboe Options, without the use of the platform. The Exchange makes the platform available as a convenience to market participants, who will continue to have the option to use any order entry and management system available in the marketplace to send orders to the Exchange and other exchanges; the platform is merely an alternative offered by the Exchange.

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 proposed change will not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change will apply to similarly situated participants uniformly, as described in detail above. The Exchange notes that each additional type of Silexx functionality is available to all market participants, and users have discretion to determine which, if any, types of functionality to purchase.

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed change applies only to Cboe Options. Additionally, Cboe Silexx is similar to types of products that are widely available throughout the industry, including from some exchanges, at similar prices. 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. Further, the proposed rule change relates to an optional platform. As discussed, the use of the platform continues to be completely voluntary and market participants will continue to have the flexibility to use any entry and management tool that is proprietary or from third-party vendors, and/or market participants may choose any executing brokers to enter their orders. The Cboe Silexx platform is not an exclusive means of trading, and if market participants believe that other products, vendors, front-end builds, etc. available in the marketplace are more beneficial than Cboe Silexx, they may simply use those products instead, including for routing orders to the Exchange (indirectly or directly if they are authorized Users). Use of the functionality is completely voluntary.

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 Act⁷ and Rule 19b-4(f)(2)⁸ 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

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(2).

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.

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-2024-017]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Fees for the Cboe Silexx Platform

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 fees for the Cboe Silexx platform. 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 fees for the Cboe Silexx platform (“Silexx platform”),³ effective April 1, 2024.

By way of background, the Silexx platform consists of a “front-end” order entry and management trading platform (also referred to as the “Silexx terminal”) for listed stocks and options that supports both simple and complex orders, and a “back-end” platform which provides a connection to the infrastructure network. From the Silexx platform (i.e., the collective front-end and back-end platform), a Silexx user has the capability to send option orders to U.S. options exchanges, send stock orders to U.S. stock exchanges (and other trading centers), input parameters to control the size, timing, and other variables of their trades, and also includes access to real-time options and stock market data, as well as access to certain historical data. The Silexx platform is designed so that a user may enter orders into the platform to send to an executing broker (including Trading Permit Holders (“TPHs”)) of its choice with connectivity to the platform, which broker will then send the orders to Cboe

³ Cboe Silexx, Inc. (“Cboe Silexx”), which is a subsidiary of the Exchange’s parent, Cboe Global Markets, Inc., offers the Silexx platform.

Options (if the broker is a TPH) or other U.S. exchanges (and trading centers) in accordance with the user's instructions. The Silexx front-end and back-end platforms are a software application that is installed locally on a user's desktop. Silexx grants users licenses to use the platform, and a firm or individual does not need to be a TPH to license the platform.

The Exchange offers several versions of its Silexx platform. Originally, the Exchange offered the following versions of the Silexx platform: Basic, Pro, Sell-Side, Pro Plus Risk and Buy-Side Manager ("Legacy Platforms"). The Legacy Platforms are designed so that a User may enter orders into the platform to send to the executing broker, including TPHs, of its choice with connectivity to the platform. The executing broker can then send orders to Cboe Options (if the broker-dealer is a TPH) or other U.S. exchanges (and trading centers) in accordance with the User's instructions. Users cannot directly route orders through any of the Legacy Platforms to an exchange or trading center nor is the platform integrated into or directly connected to Cboe Options' System. In 2019, the Exchange made available a new version of the Silexx platform, Silexx FLEX, which supports the trading of FLEX Options and allows authorized Users with direct access to the Exchange to establish connectivity and submit orders directly to the Exchange.⁴ In 2020, the Exchange made an additional version of the Silexx platform available, Cboe Silexx, which supports the trading of non-FLEX Options and allows authorized Users with direct access to the Exchange to establish connectivity and submit orders directly to the Exchange.⁵ Cboe Silexx is essentially the same platform as

⁴ See Securities Exchange Act Release No. 87028 (September 19, 2019) 84 FR 50529 (September 25, 2019) (SR-CBOE-2019-061). Only Users authorized for direct access and who are approved to trade FLEX Options may trade FLEX Options via Cboe Silexx. Only authorized Users and associated persons of Users may establish connectivity to and directly access the Exchange, pursuant to Rule 5.5 and the Exchange's technical specifications.

⁵ See Securities Exchange Act Release No. 88741 (April 24, 2020) 85 FR 24045 (April 30, 2020) (SR-CBOE-2020-040). Only authorized Users and associated persons of Users may establish connectivity to and directly access the Exchange, pursuant to Rule 5.5 and the Exchange's technical

Silexx FLEX, with the same applicable functionality, except that it additionally supports non-FLEX trading. Use of the Silexx platform is completely optional.

The Exchange has adopted fees for additional functionality that users may purchase in connection with their use of the Silexx platform. The Exchange offers each type of additional functionality as a convenience and use of each type of additional functionality is discretionary and not compulsory. For example, for the Legacy platforms, the Exchange assesses a fee for use of the “Staged Orders, Drop Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router” feature. This functionality provides firms with the ability to receive staged orders, receive “drop copies” of order fill messages, and route orders to executing brokers through a third-party FIX router.

By way of background, Financial Information eXchange (“FIX”) is an industry-standard, non-proprietary API that permits market participants to connect to exchanges. FIX connectivity provides users with the ability to receive “drop copy” order fill messages from their executing brokers. These fill messages allow customers to update positions, risk calculations, and streamline back-office functions. Additionally, FIX connections can be updated to permit the platform to receive orders sent from another system and then route these orders through the platform for execution (staged orders) as well as provide users with the ability to route orders in various ways to executing brokers (such as designation of a market to which the broker is to route an order received from the platform and use of a broker’s “smart router” functionality). Some users have connections to third-party FIX routers, who currently normalize the format of messages of their client. To the extent a FIX router has a connection to the Silexx platform, users that also have connections to these routers may elect to receive

specifications.

staged orders, drop copies, and order routing functionality through a FIX router. Additionally, the Silexx platform permits users to elect to receive daily transmission of equity order reports related to order users submit through the platform.

As noted above, for the Legacy Platforms, the Exchange assesses a fee for use of the “Staged Orders, Drop Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router” feature. Currently, the Exchange assesses a fee of \$500 per month per FIX connection, and such fee is waived for FLEX and Cboe Silexx. Similarly, the Exchange assesses a fee for orders routed via FIX into Cboe Silexx, applicable to each TPH broker to whom a TPH customer using a non-Cboe Silexx workstation sends orders electronically to a TPH broker’s Silexx workstation. The fee is \$500 per month for each TPH broker with a Silexx workstation to which the TPH customer sends orders.

The Exchange now proposes to adopt an additional order routing fee for Cboe Silexx, effective April 1, 2024. Particularly, the Exchange proposes to adopt a “FIX order routing out of Cboe Silexx” fee which would be payable by each receiving trading firms (such as an executing broker) that maintains a FIX router connected to the Silexx platform to receive orders electronically from a Silexx workstation, The proposed fee is \$500 per month per receiving trading firm, regardless of how many Silexx workstations it connects to.

The proposed fee is substantially similar to the “FIX order routing into Cboe Silexx” fee, which assesses \$500 per month for each receiving Trading Permit Holder that uses a non-Silexx workstation to send orders electronically into (as compared to out of) a TPH broker’s Cboe Silexx workstation to which the TPH customer sends orders. Additionally, the Silexx Fees Schedule also currently provides for a “Staged Orders, Drop

Copies, and Order Routing Functionality for FIX Connections (sessions) Using Third-Party FIX Router” fee set forth in the Silexx Fees Schedule, which is applicable to Legacy Platforms and currently waived for FLEX and Cboe Silexx. As noted above, Silexx users that have connections to these third-party FIX routers may elect to receive staged orders, drop copies, and order routing functionality through the FIX route. Establishing the monthly fee for the Cboe Silexx platform will allow for Cboe Silexx’s recoupment of the costs of maintaining and supporting FIX order routing out of Cboe Silexx to third-party entities.

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.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ 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)⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

⁸ Id.

between customers, issuers, brokers, or dealers. Additionally, the Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act, 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.

In particular, the Exchange believes the proposed monthly fee for FIX order routing out of Cboe Silexx is reasonable, equitable, and not unfairly discriminatory because the fee will apply uniformly to all receiving trading firms that elect to establish and maintain a FIX router connection to the Cboe Silexx platform. The Exchange notes that each additional type of Silexx functionality, including FIX order routing out of Cboe Silexx, are available to all market participants, and users have discretion to determine which, if any, types of functionality to purchase. The Exchange believes the monthly fee for FIX order routing out of Cboe Silexx functionality, as proposed, is reasonable, as the fee is the same as an analogous fee currently charged for similar functionality on the Legacy Platforms, and as well as for Cboe Silexx as it relates to FIX order routing into Cboe Silexx functionality. Additionally, the Exchange believes the proposed fee is reasonable as it accounts for administrative costs that Cboe Silexx is incurring, but not charging users, to maintain support for these third-party FIX routers.

Finally, the Exchange notes that use of the platform is discretionary and not compulsory, as users can choose to route orders, including to Cboe Options, without the use of the platform. The Exchange makes the platform available as a convenience to market participants, who will continue to have the option to use any order entry and management system available in the marketplace to send orders to the Exchange and other exchanges; the platform is merely an alternative offered by the Exchange.

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 proposed change will not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change will apply to similarly situated participants uniformly, as described in detail above. The Exchange notes that each additional type of Silexx functionality is available to all market participants, and users have discretion to determine which, if any, types of functionality to purchase.

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed change applies only to Cboe Options. Additionally, Cboe Silexx is similar to types of products that are widely available throughout the industry, including from some exchanges, at similar prices. 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. Further, the proposed rule change relates to an optional platform. As discussed, the use of the platform continues to be completely voluntary and market participants will continue to have the flexibility to use any entry and management tool that is proprietary or from third-party vendors, and/or market participants may choose any executing brokers to enter their orders. The Cboe Silexx platform is not an exclusive means of trading, and if market participants believe that other products, vendors, front-end builds, etc. available in the marketplace are more beneficial than Cboe Silexx, they may

simply use those products instead, including for routing orders to the Exchange (indirectly or directly if they are authorized Users). Use of the functionality is completely voluntary.

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 Act⁹ and paragraph (f) of Rule 19b-4¹⁰ 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

(<https://www.sec.gov/rules/sro.shtml>); or

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f).

- Send an email to rule-comments@sec.gov. Please include file number SR-CBOE-2024-017 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-2024-017. This file number should be included on the subject line if email 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 (<https://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, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CBOE-2024-017 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,

Assistant Secretary.

¹¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(Additions are underlined; deletions are [bracketed])

Cboe Exchange, Inc.

Silexx Fees Schedule

(as of [~~December~~April 1, 2023])

* * * * *

Additional Functionality for Platforms	Fee	Notes
* * * * *		
FIX order routing into Cboe Silexx	\$500/month (per receiving TPH)	This fee is payable by a TPH customer, unless otherwise directed by the TPH Broker, using a non-Silexx workstation to send orders electronically to a TPH broker's Silexx workstation. The fee is \$500/month for each TPH broker with a Silexx workstation to which the TPH customer sends orders.
<u>FIX order routing out of Cboe Silexx</u>	<u>\$500/month (per receiving trading firm)</u>	<u>This fee is payable by the receiving trading firm which maintains a FIX router connected to the Silexx platform to receive orders electronically from a Silexx workstation. The fee is \$500/month for each receiving trading firm, regardless of how many Silexx workstations it connects to.</u>
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