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Page 1 of * 25		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2025 - * 130 Amendment No. (req. for Amendments *)	
Filing by Cboe BZX Exchange, Inc. Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934					
Initial * <input checked="" type="checkbox"/>		Amendment * <input type="checkbox"/>		Withdrawal <input type="checkbox"/>	
Section 19(b)(2) * <input type="checkbox"/>		Section 19(b)(3)(A) * <input checked="" type="checkbox"/>		Section 19(b)(3)(B) * <input type="checkbox"/>	
Pilot <input type="checkbox"/>		Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	
		Rule			
		<input type="checkbox"/> 19b-4(f)(1)		<input type="checkbox"/> 19b-4(f)(4)	
		<input type="checkbox"/> 19b-4(f)(2)		<input type="checkbox"/> 19b-4(f)(5)	
		<input type="checkbox"/> 19b-4(f)(3)		<input checked="" type="checkbox"/> 19b-4(f)(6)	
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>			Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>		
Exhibit 2 Sent As Paper Document <input type="checkbox"/>			Exhibit 3 Sent As Paper Document <input type="checkbox"/>		
Description Provide a brief description of the action (limit 250 characters, required when Initial is checked *). <div>The Exchange proposes to amend Rule 11.23.</div>					
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 * Kyla Last Name * Vick Title * Senior Counsel E-mail * kvick@cboe.com Telephone * (312) 833-2986 Fax					
Signature Pursuant to the requirements of the Securities Exchange of 1934, Cboe BZX Exchange, Inc. has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date 09/22/2025 (Title *) By Matthew Iwamaye VP, Associate General Counsel (Name *) <div>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.</div> <div>Matthew Iwamaye Date: 2025.09.22 10:50:25 -05'00'</div>					

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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25-130 19b-4 (Early Trading for ETPs

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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25-130 Exhibit 1 (Early Trading for ET

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

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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

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25-130 Exhibit 5 (Early Trading for ETI

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) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Exchange Act” or the “Act”),¹ and Rule 19b-4 thereunder,² Cboe BZX Exchange, Inc. (“BZX” or the “Exchange”) is filing with the Securities and Exchange Commission (“Commission” or “SEC”) a proposal to amend Rule 11.23 to introduce an option for an exchange-traded product (“ETP”) eligible to participate in an initial public offering (“IPO”) auction to elect to commence trading in the BZX Early Trading Session.³

(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 September 18, 2025.

(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 Kyla Vick, (312) 833-2986, Cboe BZX 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Rule 1.5(ff).

The Exchange proposes to amend Rule 11.23 to provide an option for an ETP IPO Security⁴ to commence trading in the BZX Early Trading Session. The Exchange also proposes to amend Rule 11.23(a) in order to introduce the defined term “ETP IPO Security.” Additionally, the Exchange proposes to make conforming changes to Rule 11.23(d)(2)(E) by creating subsections 11.23(d)(2)(E)(i) and (ii) to improve clarity in the Exchange’s rulebook. The proposal is substantively identical to the Nasdaq Stock Market LLC (“Nasdaq”) functionality that allows ETP IPO Securities the option to commence trading at 4:00 a.m. Eastern Time (“ET”)⁵ or in the IPO Auction (which generally occurs 9:30 a.m. ET) on the first day of trading, as discussed further below.⁶

The Exchange proposes to introduce the defined term “ETP IPO Security” as Rule 11.23(a)(24), which means a Derivative Security⁷ that is eligible to participate in an IPO Auction⁸ pursuant to Rule 11.23(d).

The Exchange also proposes to amend Rule 11.23(d)(2)(E) to delineate the IPO Auction from the Halt Auction with no substantive change. Specifically, the Exchange proposes to bifurcate Rule 11.23(d)(2)(E) by creating subsections (i) and (ii), which clarifies the separate determination of each of the IPO Auction price and the Halt Auction price, respectively. Rule 11.23(d)(2)(E)(i) provides that “[f]or IPO Auctions, orders will be

⁴ See proposed Rule 11.23(a)(24), as discussed below.

⁵ Hereinafter, all times referenced are in Eastern Time.

⁶ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day) (the “Nasdaq Approval Order”).

⁷ See Rule 1.5(dd). The term “Derivative Security” means a security that meets the definition of “new derivative securities product” in Rule 19b-4(e) under the Exchange Act.

⁸ See Rule 11.22(1)(B). “IPO Auction” means the initial pricing procedures described in Rule 11.23(d).

executed at the price level within the Collar Price Range that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the price level closest to the issuing price will be used for IPO Auctions. The IPO Auction price will be the BZX Official IPO Opening Price unless otherwise provided under this Rule 11.23.” The proposed new language under Rule 11.23(d)(2)(E)(i) is identical to existing language under Rule 11.23(d)(2)(E). Rule 11.23(d)(2)(E)(ii) provides that “[f]or Halt Auctions following a Regulatory Halt, orders will be executed at the price level within the Halt Auction Collars that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the price level closest to the Final Last Sale Eligible Trade will be used for Halt Auctions.” The Exchange is only proposing to delete text from proposed Rule 11.23(d)(2)(E)(ii) that is not applicable to Halt Auctions under existing Rule 11.23(d)(2)(E).

The Exchange also proposes to adopt new Rule 11.23(a)(2)(E)(i)(a) to provide that ETP IPO Securities may commence trading in the Early Trading Session as an alternative to the IPO Auction. Specifically, proposed Rule 11.23(a)(2)(E)(i)(a) states that “[a]n ETP IPO Security may elect to commence trading in the Early Trading Session described in Rule 11.1(a). If an ETP IPO Security elects to commence trading during the Early Trading Session, the BZX Official IPO Opening Price⁹ for such ETP IPO Security shall be determined pursuant to Rule 11.23(b)(2)(B).”

⁹ See Rule 11.23(a)(4).

Today, ETP IPO Securities commence trading at the start of Regular Trading Hours¹⁰ (9:30 a.m.) pursuant to the IPO Auction process set forth under Exchange Rule 11.23(d). The amendments proposed herein introduce an option for an ETP IPO Security to commence trading during the Early Trading Session. As proposed, an ETP IPO Security would begin trading pursuant to the current IPO Auction process provided under existing Rule 11.23(d)(2)(E) unless otherwise specified by the issuer of an ETP IPO Security. If the ETP IPO Security elects to commence trading during the Early Trading Session, the ETP IPO Security would simply open for trading at 4:00 a.m. ET in the Early Trading Session¹¹ in the same manner that an ETP transferred from another securities exchange begins trading on BZX.¹² An ETP IPO Security that elects to commence trading during the Early Trading Session would participate in the standard Opening Auction process under Exchange Rule 11.23(b)(2)(B) rather than the IPO Auction process. As a result, the BZX Official IPO Opening Price would also be determined pursuant to the Opening Auction under Exchange Rule 11.23(b)(2)(B) rather than the IPO Auction.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹³ Specifically, the Exchange believes the

¹⁰ See Rule 1.5(w). The term “Regular Trading Hours” means the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

¹¹ See Exchange Rule 1.5(ff).

¹² See full details of the Exchange’s auction process specifications at [Cboe_US_Equities_Auction_Process.pdf](#); see also Rule 11.23(d)(2)(E).

¹³ 15 U.S.C. 78f(b).

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

In particular, the proposed rule changes will remove impediments to and perfect the mechanism of a free and open market and national market system and will benefit investors by providing market participants with additional opportunities to source and access liquidity for their orders in new issue ETPs on the Exchange. The proposed option to permit issuers to begin trading an ETP IPO Security during the Early Trading Session is a response to feedback from ETP issuers that such an option is desirable, as it would provide for earlier trading opportunities in highly anticipated new issue ETPs. Further, the Exchange believes that the issuer is best situated to make the decision whether to commence trading in its ETP IPO Security during the Early Trading Session or pursuant to the IPO Auction. The proposed amendments will have no impact on the operation of trading in the Early Trading Session and would simply allow for an ETP IPO Security to begin trading on

¹⁴ 15 U.S.C. 78f(b)(5).

¹⁵ Id.

the Exchange at 4 a.m. in the same manner that that an ETP transferred from another securities exchange begins trading on BZX. The Exchange believes that amending its rules to extend trading hours for ETP IPO Securities will benefit investors in that they will now be able to trade ETP IPO Securities earlier in the day, providing additional access to liquidity in securities that an ETP issuer deems appropriate for trading in the Early Trading Session. The Exchange also believes that offering the IPO Auction as a default for ETP IPO Securities with the option to participate in the Early Trading Session will allow issuers an alternative option if such issuer is concerned about unexpected volatility in ETP pricing during the Early Trading Session.¹⁶

The Exchange believes that proposed rule changes raise no novel issues as the proposed rules are consistent with early trading for ETPs already in place under the rules of another equities exchange,¹⁷ as previously approved by the Commission.¹⁸

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. Particularly, the Exchange does not believe that the proposed rule change will impose any burden on intra-market competition that is not necessary or appropriate in furtherance of purposes of the Act because all ETP IPO Securities may commence trading in the BZX Early Trading Session if requested by the issuer. The Exchange also does not believe that the proposed rule change will impose any burden on intermarket

¹⁶ See the Nasdaq Approval Order at 24430.

¹⁷ See Nasdaq Rule 4120(b)(4).

¹⁸ Supra note 6.

competition but instead may promote competition because the proposed early trading hours for ETP IPO Securities are identical to those on Nasdaq.¹⁹ Market participants on other exchanges are welcome to trade at BZX if they determine that this proposed rule change has made BZX more attractive or favorable.

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 Act²⁰ and Rule 19b-4(f)(6)²¹ thereunder.

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

¹⁹ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day).

²⁰ 15 U.S.C. 78s(b)(3)(A).

²¹ 17 CFR 240.19b-4(f)(6).

interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The Exchange believes that the proposed rule change does not significantly affect the protection of investors or the public interest, but instead, it benefits investors and the public interest by allowing ETP IPO Securities the option to commence trading in the BZX Early Trading Session. In this regard, the Exchange believes that amending its rules to extend trading hours for ETP IPO Securities will benefit investors in that they will now be able to trade ETP IPO Securities earlier in the day, providing additional access to liquidity in securities that an ETP issuer deems appropriate for trading in the Early Trading Session. The Exchange also believes that offering the IPO Auction as a default for ETP IPO Securities with the option to participate in the Early Trading Session will allow issuers an alternative option if such issuer is concerned about unexpected volatility in ETP pricing during the Early Trading Session.²²

Also, the proposed rule change does not present any unique or novel issues that have not already been addressed by the Commission, as the same allowance for ETP IPOs to trade during early trading sessions is currently in place on Nasdaq.²³ Specifically, Nasdaq's new issue ETPs default to begin trading at 4:00 a.m. with the recently adopted rule revisions providing an option to instead elect to open a new issue

²² See the Nasdaq Approval Order at 24430.

²³ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day).

ETP for trading pursuant to Nasdaq's halt cross process under Nasdaq Rule 4753 at or near 9:30 a.m.²⁴ The Exchange's proposed change provides for the inverse by allowing ETP IPO Securities the option to participate in the Early Trading Session and the standard Opening Auction instead of the Exchange's default to open ETP IPO Securities in the IPO Auction at or near 9:30 a.m. Functionally, the Exchange's proposed change will operate in a substantially similar manner as Nasdaq for ETP IPO Securities.

This proposed change will not alter the operation of the Exchange's Early Trading Session, and the ETP IPO Security would simply open for trading at 4:00 a.m. ET²⁵ in the same manner that an ETP transferred from another securities exchange begins trading on BZX.

The Exchange also believes the proposal to change to Rule 11.23(d)(2)(E) by creating subsections 11.23(d)(2)(E)(i) and (ii) to improve clarity and readability in the Exchange's rulebook and will therefore benefit investors.

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

²⁴ Specifically, Nasdaq would halt a new issue ETP for trading prior to regular trading hours and would open the security pursuant to the Nasdaq halt cross.

²⁵ See Exchange Rule 1.5(ff).

Finally, the Exchange respectfully requests that the Commission waive the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective. Waiver of operative delay would enable the Exchange to quickly offer the option for an ETP IPO Security to commence trading during the Early Trading Session, thereby providing an additional source of liquidity for ETP IPO Securities on a well-regulated, transparent, national securities exchange. The Exchange also believes that by continuing to offer ETP IPO Securities the option to participate in the default IPO Auction, the proposed amendment will not harm investors through unexpected volatility in ETP pricing.²⁶ The Exchange also believes that the proposed change will not negatively impact investors or the public interest because the proposal will not alter the operation of the Exchange's Early Trading Session, and the ETP IPO Security would simply open for trading at 4:00 a.m. ET²⁷ in the same manner that an ETP transferred from another securities exchange begins trading on BZX. Moreover, as discussed further above, the Exchange's proposal is substantively similar to the Nasdaq functionality that allows ETP issuers launching the ETP on the first day of trading the option to open the security at the 4:00 a.m. or in the opening process (e.g., 9:30 a.m.),²⁸ and therefore does not significantly impact the protection of investors or burden competition.

(c) Not applicable.

(d) Not applicable.

²⁶ See the Nasdaq Approval Order at 24430.

²⁷ See Exchange Rule 1.5(ff).

²⁸ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day).

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

The proposed addition of an option for an ETP IPO Security to elect to commence trading in the BZX Early Trading Session is substantively identical to the current functionality of Nasdaq's early trading hours for ETPs provided in Nasdaq Rule 4120.²⁹ As explained above, Nasdaq's new issue ETPs default to begin trading at 4:00 a.m. Nasdaq's recently adopted rule revisions provide an option to instead elect to open a new issue ETP for trading pursuant to Nasdaq's halt cross process under Nasdaq Rule 4753 at or near 9:30 a.m.³⁰ The Exchange's proposed change provides for the inverse by allowing ETP IPO Securities the option to participate in the Early Trading Session instead of the Exchange's default to open ETP IPO Securities at Regular Market Hours via the IPO Auction Process. Functionally, the Exchange's proposed change will operate in a substantially similar manner as Nasdaq. The Exchange's proposal to bifurcate Rule 11.23(d)(2)(E) by creating subsections (i) and (ii), which clarifies the separate determination of each of the IPO Auction price and the Halt Auction price, respectively, will not alter the functionality of the Exchange's rules regarding ETP IPO Securities.

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.

²⁹ See Nasdaq Rule 4120(b)(4); see also Securities Exchange Release No. 34-102413 (February 13, 2025), SR-NASDAQ-2025-011.

³⁰ Specifically, Nasdaq would halt a new issue ETP for trading prior to regular trading hours and would open the security pursuant to the Nasdaq halt cross.

Item 11. Exhibits

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

Exhibits 2-4. Not applicable.

Exhibit 5. Proposed rule text.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CboeBZX-2025-130]

[Insert date]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing of a Proposed Rule Change to Amend Rule 11.23 to Introduce an Option for an Exchange-Traded Product (“ETP”) Eligible to Participate in an Initial Public Offering (“IPO”) Auction to Elect to Commence Trading in the BZX Early Trading Session

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 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. (“BZX” or the “Exchange”) is filing with the Securities and Exchange Commission (“Commission” or “SEC”) a proposal to amend Rule 11.23 to introduce an option for an exchange-traded product (“ETP”) eligible to participate in an initial public offering (“IPO”) auction to elect to commence trading in the BZX Early Trading Session.³ The text of the proposed rule change is provided in Exhibit 5.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Rule 1.5(ff).

The text of the proposed rule change is also available on the Commission’s website (<https://www.sec.gov/rules/sro.shtml>), the Exchange’s website (https://www.cboe.com/us/equities/regulation/rule_filings/bzx/), and at the principal office of the Exchange.

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 Rule 11.23 to provide an option for an ETP IPO Security⁴ to commence trading in the BZX Early Trading Session. The Exchange also proposes to amend Rule 11.23(a) in order to introduce the defined term “ETP IPO Security.” Additionally, the Exchange proposes to make conforming changes to Rule 11.23(d)(2)(E) by creating subsections 11.23(d)(2)(E)(i) and (ii) to improve clarity in the Exchange’s rulebook. The proposal is substantively identical to the Nasdaq Stock Market LLC (“Nasdaq”) functionality that allows ETP IPO Securities the option to commence trading at

⁴ See proposed Rule 11.23(a)(24), as discussed below.

4:00 a.m. Eastern Time (“ET”)⁵ or in the IPO Auction (which generally occurs 9:30 a.m. ET) on the first day of trading, as discussed further below.⁶

The Exchange proposes to introduce the defined term “ETP IPO Security” as Rule 11.23(a)(24), which means a Derivative Security⁷ that is eligible to participate in an IPO Auction⁸ pursuant to Rule 11.23(d).

The Exchange also proposes to amend Rule 11.23(d)(2)(E) to delineate the IPO Auction from the Halt Auction with no substantive change. Specifically, the Exchange proposes to bifurcate Rule 11.23(d)(2)(E) by creating subsections (i) and (ii), which clarifies the separate determination of each of the IPO Auction price and the Halt Auction price, respectively. Rule 11.23(d)(2)(E)(i) provides that “[f]or IPO Auctions, orders will be executed at the price level within the Collar Price Range that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the price level closest to the issuing price will be used for IPO Auctions. The IPO Auction price will be the BZX Official IPO Opening Price unless otherwise provided under this Rule 11.23.” The proposed new language under Rule 11.23(d)(2)(E)(i) is identical to existing language under

⁵ Hereinafter, all times referenced are in Eastern Time.

⁶ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day) (the “Nasdaq Approval Order”).

⁷ See Rule 1.5(dd). The term “Derivative Security” means a security that meets the definition of “new derivative securities product” in Rule 19b-4(e) under the Exchange Act.

⁸ See Rule 11.22(1)(B). “IPO Auction” means the initial pricing procedures described in Rule 11.23(d).

Rule 11.23(d)(2)(E). Rule 11.23(d)(2)(E)(ii) provides that “[f]or Halt Auctions following a Regulatory Halt, orders will be executed at the price level within the Halt Auction Collars that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the price level closest to the Final Last Sale Eligible Trade will be used for Halt Auctions.” The Exchange is only proposing to delete text from proposed Rule 11.23(d)(2)(E)(ii) that is not applicable to Halt Auctions under existing Rule 11.23(d)(2)(E).

The Exchange also proposes to adopt new Rule 11.23(a)(2)(E)(i)(a) to provide that ETP IPO Securities may commence trading in the Early Trading Session as an alternative to the IPO Auction. Specifically, proposed Rule 11.23(a)(2)(E)(i)(a) states that “[a]n ETP IPO Security may elect to commence trading in the Early Trading Session described in Rule 11.1(a). If an ETP IPO Security elects to commence trading during the Early Trading Session, the BZX Official IPO Opening Price⁹ for such ETP IPO Security shall be determined pursuant to Rule 11.23(b)(2)(B).”

Today, ETP IPO Securities commence trading at the start of Regular Trading Hours¹⁰ (9:30 a.m.) pursuant to the IPO Auction process set forth under Exchange Rule 11.23(d). The amendments proposed herein introduce an option for an ETP IPO Security to commence trading during the Early Trading Session. As proposed, an ETP IPO Security would begin trading pursuant to the current IPO Auction process provided under existing Rule 11.23(d)(2)(E) unless otherwise specified by the issuer of an ETP IPO Security. If the

⁹ See Rule 11.23(a)(4).

¹⁰ See Rule 1.5(w). The term “Regular Trading Hours” means the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

ETP IPO Security elects to commence trading during the Early Trading Session, the ETP IPO Security would simply open for trading at 4:00 a.m. ET in the Early Trading Session¹¹ in the same manner that an ETP transferred from another securities exchange begins trading on BZX.¹² An ETP IPO Security that elects to commence trading during the Early Trading Session would participate in the standard Opening Auction process under Exchange Rule 11.23(b)(2)(B) rather than the IPO Auction process. As a result, the BZX Official IPO Opening Price would also be determined pursuant to the Opening Auction under Exchange Rule 11.23(b)(2)(B) rather than the IPO Auction.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ 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

¹¹ See Exchange Rule 1.5(ff).

¹² See full details of the Exchange's auction process specifications at [Cboe_US_Equities_Auction_Process.pdf](#); see also Rule 11.23(d)(2)(E).

¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

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

In particular, the proposed rule changes will remove impediments to and perfect the mechanism of a free and open market and national market system and will benefit investors by providing market participants with additional opportunities to source and access liquidity for their orders in new issue ETPs on the Exchange. The proposed option to permit issuers to begin trading an ETP IPO Security during the Early Trading Session is a response to feedback from ETP issuers that such an option is desirable, as it would provide for earlier trading opportunities in highly anticipated new issue ETPs. Further, the Exchange believes that the issuer is best situated to make the decision whether to commence trading in its ETP IPO Security during the Early Trading Session or pursuant to the IPO Auction. The proposed amendments will have no impact on the operation of trading in the Early Trading Session and would simply allow for an ETP IPO Security to begin trading on the Exchange at 4 a.m. in the same manner that that an ETP transferred from another securities exchange begins trading on BZX. The Exchange believes that amending its rules to extend trading hours for ETP IPO Securities will benefit investors in that they will now be able to trade ETP IPO Securities earlier in the day, providing additional access to liquidity in securities that an ETP issuer deems appropriate for trading in the Early Trading Session. The Exchange also believes that offering the IPO Auction as a default for ETP IPO Securities with the option to participate in the Early Trading Session will allow issuers an alternative

¹⁵ Id.

option if such issuer is concerned about unexpected volatility in ETP pricing during the Early Trading Session.¹⁶

The Exchange believes that proposed rule changes raise no novel issues as the proposed rules are consistent with early trading for ETPs already in place under the rules of another equities exchange,¹⁷ as previously approved by the Commission.¹⁸

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. Particularly, the Exchange does not believe that the proposed rule change will impose any burden on intra-market competition that is not necessary or appropriate in furtherance of purposes of the Act because all ETP IPO Securities may commence trading in the BZX Early Trading Session if requested by the issuer. The Exchange also does not believe that the proposed rule change will impose any burden on intermarket competition but instead may promote competition because the proposed early trading hours for ETP IPO Securities are identical to those on Nasdaq.¹⁹ Market participants on other exchanges are welcome to trade at BZX if they determine that this proposed rule change has made BZX more attractive or favorable.

¹⁶ See the Nasdaq Approval Order at 24430.

¹⁷ See Nasdaq Rule 4120(b)(4).

¹⁸ Supra note 6.

¹⁹ See Securities Exchange Act No. 103085 (May 20, 2025) 90 FR 22424 (May 27, 2025) (SR-Nasdaq-2025-011) (Notice of Filing of Amendment No. 1, and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Introduce Functionality To Initiate a Trading Halt for Exchange-Traded Products on Launch Day).

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

- A. by order approve or disapprove such proposed rule change, or
- B. institute proceedings to determine whether the proposed rule change should be 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
- Send an email to rule-comments@sec.gov. Please include file number SR-CboeBZX-2025-130 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-2025-130. 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 filing 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-CboeBZX-2025-130 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.²⁰

Sherry R. Haywood,

Assistant Secretary.

²⁰

17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe BZX Exchange, Inc.

* * * * *

Rule 11.23. Auctions

(a)

(1)-(23) (No change.)

(4) The term “BZX Official IPO Opening Price” shall mean the price disseminated to the consolidated tape as the market center opening trade for an initial public offering of a BZX listed security.

(24) The term “ETP IPO Security” means a Derivative Security that is eligible to participate in an IPO Auction pursuant to Rule 11.23(d).

(b)-(c) (No change.)

(d) *IPO and Halt Auctions.* For trading in a BZX listed security in an initial public offering (an “IPO”) or following a Regulatory Halt in that security, other than a Regulatory Halt initiated pursuant to Rule 11.18(b)(2) following a Level 3 Market Decline, the Exchange will conduct an IPO or Halt Auction, as described below.

(1) (A)-(C) (No change.)

(2) IPO and Halt Auction Process.

(A)-(D) (No change.)

(E) Determination of BZX IPO and Halt Auction Price. Orders will be executed at the price that maximizes the number of shares executed in the auction.

(i) For IPO Auctions, orders will be executed at the price level within the Collar Price Range that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the price level closest to the issuing price will be used for IPO Auctions. The

IPO Auction price will be BZX Official IPO Opening Price unless otherwise provided under this Rule 11.23.

(a) An ETP IPO Security may elect to commence trading in the Early Trading Session described in Rule 11.1(a). If an ETP IPO Security elects to commence trading during the Early Trading Session, the BZX Official IPO Opening Price for such ETP IPO Security shall be determined pursuant to Rule 11.23(b)(2)(B).

(ii) For Halt Auctions following a Regulatory Halt, orders will be executed at the price level within the Halt Auction Collars that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels, the [price level closest to the issuing price will be used for IPO Auctions and the]price level closest to the Final Last Sale Eligible Trade will be used for Halt Auctions. [The IPO Auction price will be BZX Official IPO Opening Price.]

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