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

File No. * SR 2026 - * 027
Amendment No. (req. for Amendments *)

Filing by Cboe C2 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) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ✓ 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 ☐ Exhibit 3 Sent As Paper Document ☐

Description

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

The Exchange proposes to amend Exchange Rule 5.52.

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 * Tadtman
Title * Assistant General Counsel
E-mail * stadtman@cboe.com
Telephone * (913) 815-7203 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Cboe C2 Exchange, Inc.
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/24/2026

By Matthew Iwamaye (Name *)

(Title *) 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.

Matthew Iwamaye Date: 2026.09.24 12:09:38 -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 EFFS website.

Form 19b-4 Information * Add / Remove / View C2-26-027 19b4-(f)(6) (Quote Widths /	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 C2-26-027 Exhibit 1 (Quote Widths Ar	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 * Add / Remove / View	The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)
Exhibit 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 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. ☐ 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 C2-26-027 Exhibit 5 (Quote Widths An	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 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 C2 Exchange, Inc. ("C2" or the "Exchange") is filing with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change to amend Exchange Rule 5.52 (Market-Maker Quotes) to provide that the $5 maximum bid/ask differential will apply to options series expiring in 270 days or less, and a $15 maximum bid/ask differential will apply to options series expiring in more than 270 days.

(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 21, 2026. The proposed rule change will be implemented in conjunction with SR-C2-2026-022 and announced via Exchange Notice.

(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 Tadtman, (913) 815-7203, Cboe C2 Exchange, Inc., 433 West Van Buren Street, Chicago, Illinois 60607.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

Item 3. <u>Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change</u>

(a) Purpose

The Exchange proposes to amend Rule 5.52(c) to add a time-to-expiration tier to the existing bid/ask differential requirements for Market-Maker quotes.

The Exchange previously adopted bid/ask differential requirements for Market-Maker quotes under Rule 5.52(c) in a recent rule filing.[3] The Prior Filing established a single general maximum bid/ask differential of $5 regardless of the Market-Maker's bid, applicable to all options series without regard to time to expiration. The Exchange now proposes to amend Rule 5.52(c) to conform to the approach in Cboe Options Rule 5.52(c), under which the $5 maximum bid/ask differential applies to options series expiring in 270 days or less, and a $15 maximum applies to options series expiring in more than 270 days.

The use of time to expiration as a variable in bid/ask differential requirements is an established concept across options exchanges. Cboe Options Rule 5.52(c) uses a 270-day threshold, under which a $5 maximum bid/ask differential applies to options series expiring in 270 days or less, and a $15 maximum applies to options series expiring in more than 270 days. Similarly, ISE Options 2, Section 4(b)(4) provides that bid/ask differentials do not apply to options series until the time to expiration is less than nine months (approximately 270 days), and Phlx Options 4A, Section 12(b)(2)(i) similarly provides that bid/ask

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3 See Securities Exchange Act Release No. 106207 (August 27, 2026), 91 FR 56257 (September 1, 2026) (SR-C2-2026-022) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 5.52 (Market-Maker Quotes) To Adopt Two-Sided Quote Bid/Ask Differentials) (the "Prior Filing").

differential rules shall not apply to index long-term option series until the time to expiration is less than twelve months.

The Exchange believes the proposed general bid/ask differentials of $5 for options series expiring in 270 days or less and $15 for options series expiring in more than 270 days are reasonable and appropriate. The $5 differential for shorter-dated series is sufficiently wide to accommodate normal market conditions and volatility while preventing Market-Makers from entering quotes that are so wide as to provide no meaningful liquidity. The wider $15 differential for longer-dated series (i.e., those with more than 270 days to expiration) accounts for the reduced liquidity, wider theoretical values, and greater uncertainty associated with long-term options.

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

4 15 U.S.C. 78f(b).

5 15 U.S.C. 78f(b)(5).

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.

The Exchange believes that adding a time-to-expiration tier to the existing bid/ask differential requirements promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market and a national market system. The amendment conforms to Cboe Options Rule 5.52(c), and will enhance the quality of markets on C2 Options by establishing bid/ask differential requirements calibrated to the differing liquidity characteristics and pricing uncertainty across options series with varying times to expiration. Specifically, by establishing a general maximum permissible width of $5 (for options series expiring in 270 days or less) and $15 (for options series expiring in more than 270 days) between a Market-Maker's bid and offer, the Exchange believes the proposal will improve market quality by providing investors with more meaningful execution opportunities and contributing to more efficient price discovery.

As discussed above, the Exchange believes the proposed bid/ask differentials are reasonable and appropriate. The $5 differential for shorter-dated series accommodates normal market conditions while preventing excessively wide quotes. The wider $15 differential for longer-dated series accounts for the reduced liquidity, wider theoretical values, and greater uncertainty associated with long-term options. The use of time to expiration as a variable in bid/ask differential requirements is an established concept across

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6 Id.

options exchanges, including Cboe Options Rule 5.52(c), ISE Options 2, Section 4(b)(4), and Phlx Options 4A, Section 12(b)(2)(i).

The amended, tiered bid/ask differential requirements will apply uniformly to all Market-Makers on C2 Options based on the applicable time to expiration. The proposal therefore does not permit unfair discrimination among Market-Makers and applies the same $5 and $15 maximums on the same basis to similarly situated options series. For the foregoing reasons, the Exchange believes the proposal is consistent with the Act.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the amended, tiered bid/ask differential requirements will apply uniformly to all Market-Makers on C2 Options. The $5 and $15 maximums will be determined by the same time-to-expiration framework for all Market-Makers.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed time-to-expiration tier conforms to Cboe Options Rule 5.52(c) and is consistent with the quote width frameworks of other options exchanges, including ISE and Phlx. By adopting bid/ask differential requirements consistent with those of other options exchanges, Market-Makers on the Exchange will be subject to comparable bid/ask differential requirements as market-makers on other markets.

For the foregoing reasons, the Exchange does not believe the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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 written 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 Act[7] and Rule 19b-4(f)(6)[8] thereunder.

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

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7 15 U.S.C. 78s(b)(3)(A).

8 17 CFR 240.19b-4(f)(6).

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 because it adds a time-to-expiration tier to the existing bid/ask differential requirements for Market-Maker quotes, conforming to Cboe Options Rule 5.52(c). The Exchange believes the proposed $5 maximum bid/ask differential for options series expiring in 270 days or less and $15 maximum for options series expiring in more than 270 days are sufficiently wide to accommodate normal market conditions and volatility while preventing Market-Makers from entering quotes that are so wide as to provide no meaningful liquidity. The wider $15 differential for longer-dated series accounts for the reduced liquidity, wider theoretical values, and greater uncertainty associated with long-term options. The use of a time-to-expiration threshold to differentiate bid/ask differential requirements is an established, non-controversial concept across multiple options exchanges, including Cboe Options, ISE, and Phlx. The existing $5 differential and the exceptions in Rules 5.52(c)(1) and (c)(2) were adopted in the Prior Filing and are not being changed by this filing. The proposal therefore does not significantly affect the protection of investors or the public interest.

The Exchange believes that the proposed rule change does not impose any significant burden on competition because the proposal conforms to the time-to-expiration framework already established under Cboe Options Rule 5.52(c) and is consistent with the approaches taken by other options exchanges, including ISE and Phlx. The Exchange is not the first mover in adopting a time-to-expiration tier for bid/ask differential requirements; rather, it is conforming its rules to an established approach already in place on other markets. Market-Makers on the Exchange will therefore be subject to comparable bid/ask differential requirements as market-makers on those other exchanges.

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.

(c) Not applicable.

(d) Not applicable.

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

The proposed rule change is based on the rules of another self-regulatory organization. The proposed time-to-expiration tier conforms to Cboe Options Rule 5.52(c), which establishes the same $5 maximum bid/ask differential for options series expiring in 270 days or less and $15 maximum for options series expiring in more than 270 days. The use of time to expiration as a factor in bid/ask differential requirements is also consistent with the approach taken by other options exchanges, including ISE Options 2, Section 4(b)(4), and Phlx Options 4A, Section 12(b)(2)(i), which similarly use time to expiration as a factor in bid/ask differential requirements.

Item 9. <u>Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act</u>

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.

Exhibits 2-4. Not applicable.

Exhibit 5. Proposed rule text.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-C2-2026-027]

[Insert date]

Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Exchange Rule 5.52

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 C2 Exchange, Inc. (the "Exchange" or "C2") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[3] and Rule 19b-4(f)(6) thereunder.[4] The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe C2 Exchange, Inc. ("C2" or the "Exchange") is filing with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change to amend Exchange Rule 5.52 (Market-Maker Quotes) to provide that the $5 maximum bid/ask differential will apply to options series expiring in 270 days or less, and a $15 maximum

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 15 U.S.C. 78s(b)(3)(A)(iii).

4 17 CFR 240.19b-4(f)(6).

bid/ask differential will apply to options series expiring in more than 270 days. The text of the proposed rule change is provided in Exhibit 5.

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/options/regulation/rule_filings/ctwo/), 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 5.52(c) to add a time-to-expiration tier to the existing bid/ask differential requirements for Market-Maker quotes.

The Exchange previously adopted bid/ask differential requirements for Market-Maker quotes under Rule 5.52(c) in a recent rule filing.[5] The Prior Filing established a single general maximum bid/ask differential of $5 regardless of the Market-Maker's bid, applicable to all options series without regard to time to expiration. The Exchange now

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5 See Securities Exchange Act Release No. 106207 (August 27, 2026), 91 FR 56257 (September 1, 2026) (SR-C2-2026-022) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 5.52 (Market-Maker Quotes) To Adopt Two-Sided Quote Bid/Ask Differentials) (the "Prior Filing").

proposes to amend Rule 5.52(c) to conform to the approach in Cboe Options Rule 5.52(c), under which the $5 maximum bid/ask differential applies to options series expiring in 270 days or less, and a $15 maximum applies to options series expiring in more than 270 days.

The use of time to expiration as a variable in bid/ask differential requirements is an established concept across options exchanges. Cboe Options Rule 5.52(c) uses a 270-day threshold, under which a $5 maximum bid/ask differential applies to options series expiring in 270 days or less, and a $15 maximum applies to options series expiring in more than 270 days. Similarly, ISE Options 2, Section 4(b)(4) provides that bid/ask differentials do not apply to options series until the time to expiration is less than nine months (approximately 270 days), and Phlx Options 4A, Section 12(b)(2)(i) similarly provides that bid/ask differential rules shall not apply to index long-term option series until the time to expiration is less than twelve months.

The Exchange believes the proposed general bid/ask differentials of $5 for options series expiring in 270 days or less and $15 for options series expiring in more than 270 days are reasonable and appropriate. The $5 differential for shorter-dated series is sufficiently wide to accommodate normal market conditions and volatility while preventing Market-Makers from entering quotes that are so wide as to provide no meaningful liquidity. The wider $15 differential for longer-dated series (i.e., those with more than 270 days to expiration) accounts for the reduced liquidity, wider theoretical values, and greater uncertainty associated with long-term options.

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.[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 between customers, issuers, brokers, or dealers.

The Exchange believes that adding a time-to-expiration tier to the existing bid/ask differential requirements promotes just and equitable principles of trade and removes impediments to and perfects the mechanism of a free and open market and a national market system. The amendment conforms to Cboe Options Rule 5.52(c), and will enhance the quality of markets on C2 Options by establishing bid/ask differential requirements calibrated to the differing liquidity characteristics and pricing uncertainty across options series with varying times to expiration. Specifically, by establishing a general maximum permissible width of $5 (for options series expiring in 270 days or less) and $15 (for options series expiring in more than 270 days) between a Market-Maker's bid and offer, the Exchange believes the proposal will improve market quality by providing investors with

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6 15 U.S.C. 78f(b).

7 15 U.S.C. 78f(b)(5).

8 Id.

more meaningful execution opportunities and contributing to more efficient price discovery.

As discussed above, the Exchange believes the proposed bid/ask differentials are reasonable and appropriate. The $5 differential for shorter-dated series accommodates normal market conditions while preventing excessively wide quotes. The wider $15 differential for longer-dated series accounts for the reduced liquidity, wider theoretical values, and greater uncertainty associated with long-term options. The use of time to expiration as a variable in bid/ask differential requirements is an established concept across options exchanges, including Cboe Options Rule 5.52(c), ISE Options 2, Section 4(b)(4), and Phlx Options 4A, Section 12(b)(2)(i).

The amended, tiered bid/ask differential requirements will apply uniformly to all Market-Makers on C2 Options based on the applicable time to expiration. The proposal therefore does not permit unfair discrimination among Market-Makers and applies the same $5 and $15 maximums on the same basis to similarly situated options series. For the foregoing reasons, the Exchange believes the proposal is consistent with the Act.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the amended, tiered bid/ask differential requirements will apply uniformly to all Market-Makers on C2 Options. The $5 and $15 maximums will be determined by the same time-to-expiration framework for all Market-Makers.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed time-to-expiration tier conforms to Cboe Options Rule 5.52(c) and is consistent with the quote width frameworks of other options exchanges, including ISE and Phlx. By adopting bid/ask differential requirements consistent with those of other options exchanges, Market-Makers on the Exchange will be subject to comparable bid/ask differential requirements as market-makers on other markets.

For the foregoing reasons, the Exchange does not believe the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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 written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not:

A. significantly affect the protection of investors or the public interest;

B. impose any significant burden on competition; and

C. become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[9] and Rule 19b-4(f)(6)[10] 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
- Send an email to rule-comments@sec.gov. Please include file number SR-C2-2026-027 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-C2-2026-027. This file number should be included on the subject line if email is used. To help the Commission process

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9 15 U.S.C. 78s(b)(3)(A).

10 17 CFR 240.19b-4(f)(6).

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-C2-2026-027 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.

Secretary

[11] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe C2 Exchange, Inc.

* * * * *

Rule 5.52. Market-Maker Quotes

(a)-(b) No change.

(c) *Two-Sided Quotes.* A Market-Maker that enters a bid (offer) on the Exchange in a series in an appointed class must enter an offer (bid). The bid/ask differential of a Market-Maker's electronic quotes may not exceed $5 for options series expiring in 270 days or less, or $15 for option series expiring in more than 270 days, regardless of the Market-Maker's bid.

(1) The Exchange may establish bid/ask differentials other than the foregoing for one or more series or classes of options.

(2) The bid/ask differentials do not apply to in-the-money series where the NBBO for the underlying security is wider than the differentials set forth above. For such series, the bid/ask differentials may be as wide as the NBBO in the underlying security.

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