

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 - * 015

Amendment No. (req. for Amendments *) 1

Filing by Cboe Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input 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 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) *

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 *).

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 04/04/2024

(Title *)

By Laura G. Dickman

(Name *)

VP, Associate General Counsel

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

Laura Dickman Date: 2024.04.04
12:05:03 -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 *

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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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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.

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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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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CBOE-24-015 Partial Amendment No

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.

PARTIAL AMENDMENT

Cboe Exchange, Inc. (the “Exchange”) submits this Amendment, constituting Amendment No. 1 to rule filing SR-CBOE-2024-015 (the “Rule Filing”) in which the Exchange proposes to amend its rules related to complex orders. Specifically, in the Rule Filing, the Exchange proposes to amend the definition of complex strategy in Rule 5.33(a) to provide that new complex strategies can be created by the Exchange in addition to, as today, as the result of the receipt of a complex instrument creation request or complex order for a complex strategy that is not currently in the System. The Exchange also proposes to amend Rule 5.33(b)(2)(A) to provide in a class in which it determines complex orders of Market-Makers and away market-makers are not eligible for entry into the COB, the Exchange may also determine that Market-Makers and away market-makers may enter complex orders into the COB if the complex order is in a complex strategy designated by the Exchange.

This Amendment makes no substantive changes to the proposal and merely corrects descriptions of the current complex book process. Specifically, this Amendment deletes in its entirety Footnote 1 on page 5 of the Form 19b-4 and Footnote 1 on page 22 of Exhibit 1 and replaces it with the following:

Currently, orders entered with any capacity, including Market-Maker (origin code “M”) and market-maker or specialist on another options exchange (“away market-makers”) (origin code “N”) orders, are eligible for entry and may rest on the COB in all classes except in S&P 500 Index options (“SPX”) and Cboe Volatility Index options (“VIX”). In SPX and VIX options, M and N complex orders are not eligible for entry into the COB except as set forth in Rule 5.33(b)(2)(A). See US Options Complex Book Process, Section 2.3.3.

Further, this Amendment deletes in its entirety Footnote 2 on page 5 of the Form 19b-4 and Footnote 2 on page 22 of Exhibit 1 and replaces it with the following:

As noted above, currently, the only classes for which the Exchange has determined that M and N orders are not eligible for entry into the COB are SPX and VIX options.

This Amendment also deletes in its entirety Footnote 5 on page 8 of the Form 19b-4 and Footnote 4 on page 22 of Exhibit 1 and replaces it with the following:

As noted above, the Exchange has determined that M and N complex orders are not eligible for entry into the COB only in SPX and VIX options.

Finally, this Amendment deletes in its entirety the carryover paragraph on pages 9 to 10 of the Form 19b-4 and the carryover paragraph on pages 25 to 26 of Exhibit 1 and replaces it with the following:

Unlike leg markets, in which market-makers provide liquidity through regularly updated quotes that indicate to customers the price at which liquidity providers are willing to trade against their orders, market-makers do not quote on the COB.⁸ As a result, the COB may contain limited resting orders from liquidity providers within a complex strategy to indicate to customers the price at which many liquidity providers are willing to trade that complex strategy. The Exchange believes that providing it with the ability to permit M and N complex orders to rest orders in the COB in designated complex strategies would, as discussed above, potentially consolidate liquidity for complex strategies (particularly commonly traded complex strategies) with similar risk profiles within a single strategy that provides the same

⁸ See Interpretation and Policy .01 to Rule 5.33.

exposure. This may result in the COB for these complex strategies (such as those that are commonly traded) providing customers with this information, which may ultimately result in additional price competition and execution opportunities for customers. As previously noted, the Exchange determines which Capacities are eligible for entry into the COB, and currently, in SPX and VIX options, M and N complex orders are not eligible for entry into the COB except as set forth in Rule 5.33(b)(2)(A). The Exchange believes that it is more beneficial from a trading and efficiency perspective to designate strategies in which M and N orders are eligible for COB entry, rather than determine that M and N complex orders in all complex strategies (including SPX or VIX options) are eligible for COB entry, as Market-Makers may not be willing to rest in the number of large number of complex strategies that exist in the COB.

The Exchange requests accelerated approval of Amendment No. 1. Amendment No. 1 makes no material changes to the Rule Filing nor substantive changes to the proposal. Amendment No. 1 merely corrects descriptions of the current complex book process. Specifically, the Amendment No. 1 updates the Rule Filing to clarify and state that the Exchange has determined that M and N orders in VIX options (as well as SPX options, as previously stated in the Rule Filing) are not eligible for entry into the COB, except as set forth in Rule 5.33(b)(2)(A). Therefore, the Exchange does not believe a full notice and comment period is necessary, and thus believes accelerated approval is appropriate.