Required fields are shown with yellow backgrounds and asterisks.

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

File No. * SR 2025 - * 114
Amendment No. (req. for Amendments *)

Filing by Cboe BZX Exchange, Inc.

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

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
✓	☐	☐	✓	☐	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

☐ 19b-4(f)(1) ☐ 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 the VanEck Ethereum ETF.

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 BZX Exchange, Inc.
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 08/06/2025
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: 2025.08.06 10:11:40 -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 25-114 19b-4 (VanEck Eth Staking) 8.	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 25-114 Exhibit 1 (VanEck Eth Staking	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	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 BZX Exchange, Inc. ("BZX" or the "Exchange") is filing with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change to amend the rule governing the VanEck Ethereum ETF (the "Trust"), shares (the "Shares") of which have been approved by the Commission to list and trade on the Exchange pursuant to BZX Rule 14.11(e)(4), to permit staking of ether held by the Trust.

(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 August 5, 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 Sarah Tadtman, (913) 815-7203, 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

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

[2] 17 CFR 240.19b-4.

The Commission approved the Exchange's proposal to list and trade shares (the "Shares") of the Trust on the Exchange pursuant to Exchange Rule 14.11(e)(4), Commodity-Based Trust Shares, on May 23, 2024.[3] Exchange Rule 14.11(e)(4) governs the listing and trading of Commodity-Based Trust Shares, which means a security (a) that is issued by a trust that holds (1) a specified commodity deposited with the trust, or (2) a specified commodity and, in addition to such specified commodity, cash; (b) that is issued by such trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity and/or cash; and (c) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such trust which will deliver to the redeeming holder the quantity of the underlying commodity and/or cash. The Shares are issued by the Trust, which was formed as a Delaware statutory trust on June 22, 2021.

Based on discussions with the Sponsor, the Exchange proposes to amend several portions of the ETH ETP Amendment No. 2, as amended, in order to allow the staking of ether held by the Trust.[4] In particular, the Exchange proposes to adopt the below

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3 See Securities Exchange Act Release Nos. 100214 (May 22, 2024) 89 FR 46462 (May 29, 2024) (SR-CboeBZX-2023-069) (Notice of Filing of Amendment No. 2 to a Proposed Rule Change to List and Trade Shares of the VanEck Ethereum Trust Under BZX Rule 14.11(e)(4), Commodity-Based Trust Shares) ("ETH ETP Amendment No. 2"); 100224 (May 23, 2024) 89 FR 46937 (May 30, 2024) (SR-CboeBZX-2023-069) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to List and Trade Shares of Ether-Based Exchange-Traded Products) (the "ETH ETP Approval Order").

4 The Exchange has also filed a separate proposed rule change to amend portions of the ETH ETP Amendment No. 2 in order to allow for in-kind creation and redemptions. See Securities Exchange Act Release No. 102500 (February 19, 2025) 90 FR 11336 (March 5, 2025) (SR-CboeBZX-2025-031).

"Staking" section following the "The Custodian" section[5] and before the "Creation and Redemption of Shares" section of the ETH ETP Amendment No. 2:

Staking

> The Sponsor may stake, or cause to be staked, all or a portion of the Trust's ether through one or more trusted staking providers ("Staking Providers"). In consideration for any staking activity in which the Trust may engage, the Trust would receive all or a portion of the staking rewards generated by the Staking Provider, which may be treated as income to the Trust.
>
> **The Staking Process**
>
> On September 15, 2022, the Ethereum network upgraded from proof-of-work to a proof-of-stake consensus mechanism in a transition commonly referred to as "the Merge". Proof-of-stake was intended to address the perceived shortcomings of the proof-of-work related to energy usage and duplicative computational effort expended by network contributors (known under proof-of-work as "miners" and under proof-of-stake as "validators"). In a proof-of-work mechanism, miners compete to be the first to solve the cryptographic puzzle. The winner then becomes the only miner permitted to process the block and, in turn, the one to receive the respective rewards. Miners who are not first in time (and thus are not permitted to process the next block) will have effectively expended significant labor and computing power for no gain. Under a proof-of-stake mechanism, several validators can be involved in the processing of a block. One validator may be selected to propose a block while other validators verify the content of that block. The corresponding rewards vary per role performed. Additionally, validators do not compete based on computational power like miners do. Instead, the amount of capital each validator has committed, in the form of the blockchain's native currency, is what contributes to the selection. This proof-of-stake system reduces the computational work performed - and energy expended - to validate each block compared to proof-of-work.
>
> Under proof-of-stake, validators staking a minimum of 32 ether are randomly selected by an Ethereum Network algorithm to process transactions. Entities running multiple validator nodes will therefore experience an increased likelihood of any one of their validators being selected based on their share of validators compared to the total active validators on the network. Any malicious activity, such as double signing, disagreeing with the eventual consensus or otherwise violating protocol rules, results in the forfeiture or "slashing" of a portion of the staked ether.

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5 See ETH ETP Amendment No. 2 at 46471.

To operate a node on the Ethereum blockchain, a validator must acquire and lock at least 32 ether by sending a deposit transaction to the staking contract. This transaction associates the staked ether with a withdrawal address (to unlock the ether and receive any staking rewards) and a validator address (to designate the validator node performing transaction verification).

Staking by the Sponsor on Behalf of the Trust

The Sponsor may stake, or cause to be staked, all or a portion of the Trust's ether on behalf of the Trust through one or more Staking Providers. The Sponsor expects to maintain sufficient liquidity in the Trust to satisfy redemptions and current liabilities. Any ether staked by the Sponsor on behalf of the Trust will consist exclusively of ether owned by the Trust. The Sponsor's staking activities on behalf of the Trust will be consistent with the May 29, 2025 statement issued by the Divion of Corporation Finance's statement, entitled "Certain Protocol Staking Activities" [6] and will not constitute activities that the SEC has alleged to involve securities offerings in violation of Section 5 of the Securities Act of 1933 (the "Securities Act").[7]

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6 See Division of Corporation Finance, Statement on Certain Protocol Staking Activities (May 29, 2025), available at https://www.sec.gov/newsroom/speeches-statements/statement-certain-protocol-stakingactivities-052925.

7 See SEC v. Payward Ventures, Inc. and Payward Trading, Ltd., (Complaint filed February 9, 2023) available at https://www.sec.gov/files/litigation/complaints/2023/comp-pr2023-25.pdf. (In February 2023, the SEC charged and entered into a settlement order with Payward Ventures, Inc. and Payward Trading Ltd., both commonly known as Kraken, regarding Kraken's alleged failure to register the offer and sale of their crypto asset staking as a service program, whereby investors transfer crypto assets to Kraken for staking in exchange for advertised annual investment returns of as much as 21 percent. According to the SEC's complaint, since 2019, Kraken has offered and sold its crypto asset "staking services" to the general public, whereby Kraken pools certain crypto assets transferred by investors and stakes them on behalf of those investors. According to the SEC, investors would lock up – or "stake" – their crypto tokens with Kraken with the goal of being rewarded with new tokens when their staked crypto tokens become part of the process for validating data for the blockchain. The complaint alleged that Kraken touted that its staking investment program offered an easy-to-use platform and benefits that derived from Kraken's efforts on behalf of investors, including Kraken's strategies to obtain regular investment returns and payouts.) See also SEC v. Binance Holdings Limited, et al., (Complaint filed June 5, 2023) available at https://www.sec.gov/files/litigation/complaints/2023/comp-pr2023-101.pdf. (On June 5, 2023, the SEC filed a complaint charging Binance Holdings Ltd. and certain of its affiliates with a variety of securities law violations, including operating a "staking as a service" program. The SEC's complaint alleges, among other things, that BAM Trading violated Sections 5(a) and 5(c) of the Securities Act by offering and selling its staking program without a registration statement, and that BAM Trading's Staking Program was promoted "as a superior and much easier way to obtain staking rewards by, among other things, pooling the crypto assets of a large number of investors.") See also SEC v. Coinbase, Inc. and Coinbase Global (Complaint filed June 6, 2023) available at https://www.sec.gov/files/litigation/complaints/2023/comp-pr2023-102.pdf. (On June 6, 2023, the SEC filed a complaint against Coinbase, Inc. and Coinbase Global in federal district court in the Southern District of New York, alleging, inter alia that Coinbase Inc. violated the Securities Act by failing to register with the SEC the offer and sale of its staking program. The SEC's complaint alleges that through the Coinbase staking program, investors' crypto assets are

> First, the Sponsor will only stake, or cause to be staked, ether held by the Trust. The Sponsor will not seek to pool ether held by the Trust with ether held by other entities in order to stake its assets in a node. Second, the Sponsor will not advertise itself as providing any staking services generally, or promise or promote any specific level of return from staking, or solicit delegated stakes from entities other than the Trust. Third, the Sponsor will stake, or cause to be staked, the Trust's ether solely in order to preserve the assets of the Trust by contributing to the security of the network and to generate returns for the Trust's shareholders. Fourth, the Sponsor will not bear or subsidize the risk of slashing or forks on behalf of the Trust.
>
> Staking by the Sponsor will not result in ether held by the Trust moving out of the control of the Custodian. The staking contract can only release ether, either remaining principal or rewards, to the withdrawal address specified when the validator is created. The private keys associated with this withdrawal address are controlled by the Custodian. Additionally, the Sponsor will engage with Staking Provider(s) to execute software and hardware necessary for a live validator to perform its duties. Even if the validators are unable to perform these duties due to complete failure or disruption of the hardware, the Custodian is able to retrieve ether from the associated validators.

Except for the above changes, all other representations in the ETH ETP Amendment No. 2, as amended, remain unchanged and will continue to constitute continuing listing requirements. In addition, the Trust will continue to comply with the terms of the ETH ETP Amendment No. 2, as amended, and the requirements of Rule 14.11(e)(4).

(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.[8] Specifically, the Exchange believes the

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transferred to and pooled by Coinbase (segregated by asset), and subsequently "staked" (or committed) by Coinbase in exchange for rewards, which Coinbase distributes pro rata to investors after paying itself a 25-35% commission. The SEC also alleges that investors understand that Coinbase will expend efforts and leverage its experience and expertise to generate returns. On February 27, 2025, the SEC filed to dismiss its lawsuit.)

[8] 15 U.S.C. 78f(b).

proposed rule change is consistent with the Section 6(b)(5)[9] 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.

The Exchange believes the proposed rule change is designed to remove impediments to and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest because it would allow the Trust to stake its ether on behalf of its investors. The Ethereum network allows for staking of its native asset, ether, and permits validators who successfully stake ether to receive block rewards. The net beneficiaries are not only validators, or those on behalf of whom they stake ether, but also the Ethereum blockchain itself which grows and is progressively made more secure through the validation of transactions. Staking permits validators to contribute to network security and functionality. Validators are compensated for fulfilling this important role through block rewards.

Allowing the Trust to stake its ether would benefit investors and help the Trust to better track the returns associated with holding ether. This would improve the creation and redemption process for both authorized participants and the Trust, increase efficiency, and ultimately benefit the end investors in the Trust.

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[9] 15 U.S.C. 78f(b)(5).

Except for the addition of staking of the Trust's ether and the changes discussed herein, all other representations made in the ETH ETP Amendment No. 2, as amended, remain unchanged and will continue to constitute continuing listing requirements for the Trust.

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. As noted above, the proposed amendment is intended to benefit investors and allow the Trust to better track the returns associated with holding ether. The Exchange believes these changes will not impose any burden on competition.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

Not applicable.

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

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

Item 9. **Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

Not applicable.

Item 10. **Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

Not applicable.

Item 11. **Exhibits**

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

Exhibits 2-5. Not applicable.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-   ; File No. SR-CboeBZX-2025-114]

[Insert date]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing of a Proposed Rule Change to Amend the Rule Governing the VanEck Ethereum ETF (the "Trust"), Shares (the "Shares") of which have been Approved by the Commission to List and Trade on the Exchange Pursuant to BZX Rule 14.11(e)(4), to Permit Staking of Ether Held by the Trust

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 proposed rule change to amend the rule governing the VanEck Ethereum ETF (the "Trust"), shares (the "Shares") of which have been approved by the Commission to list and trade on the Exchange pursuant to BZX Rule 14.11(e)(4), to permit staking of ether held by the Trust.

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

[2] 17 CFR 240.19b-4.

The text of the proposed rule change is also available on the Exchange's website (http://markets.cboe.com/us/equities/regulation/rule_filings/bzx/), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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 Commission approved the Exchange's proposal to list and trade shares (the "Shares") of the Trust on the Exchange pursuant to Exchange Rule 14.11(e)(4), Commodity-Based Trust Shares, on May 23, 2024.[3] Exchange Rule 14.11(e)(4) governs the listing and trading of Commodity-Based Trust Shares, which means a security (a) that is issued by a trust that holds (1) a specified commodity deposited with the trust, or (2) a specified commodity and, in addition to such specified commodity, cash; (b) that is issued by such trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity and/or cash; and (c) that, when aggregated in the same

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3 See Securities Exchange Act Release Nos. 100214 (May 22, 2024) 89 FR 46462 (May 29, 2024) (SR-CboeBZX-2023-069) (Notice of Filing of Amendment No. 2 to a Proposed Rule Change to List and Trade Shares of the VanEck Ethereum Trust Under BZX Rule 14.11(e)(4), Commodity-Based Trust Shares) ("ETH ETP Amendment No. 2"); 100224 (May 23, 2024) 89 FR 46937 (May 30, 2024) (SR-CboeBZX-2023-069) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to List and Trade Shares of Ether-Based Exchange-Traded Products) (the "ETH ETP Approval Order").

specified minimum number, may be redeemed at a holder's request by such trust which will deliver to the redeeming holder the quantity of the underlying commodity and/or cash. The Shares are issued by the Trust, which was formed as a Delaware statutory trust on June 22, 2021.

Based on discussions with the Sponsor, the Exchange proposes to amend several portions of the ETH ETP Amendment No. 2, as amended, in order to allow the staking of ether held by the Trust.[4] In particular, the Exchange proposes to adopt the below "Staking" section following the "The Custodian" section[5] and before the "Creation and Redemption of Shares" section of the ETH ETP Amendment No. 2:

Staking

> The Sponsor may stake, or cause to be staked, all or a portion of the Trust's ether through one or more trusted staking providers ("Staking Providers"). In consideration for any staking activity in which the Trust may engage, the Trust would receive all or a portion of the staking rewards generated by the Staking Provider, which may be treated as income to the Trust.
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> **The Staking Process**
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> On September 15, 2022, the Ethereum network upgraded from proof-of-work to a proof-of-stake consensus mechanism in a transition commonly referred to as "the Merge". Proof-of-stake was intended to address the perceived shortcomings of the proof-of-work related to energy usage and duplicative computational effort expended by network contributors (known under proof-of-work as "miners" and under proof-of-stake as "validators"). In a proof-of-work mechanism, miners compete to be the first to solve the cryptographic puzzle. The winner then becomes the only miner permitted to process the block and, in turn, the one to receive the respective rewards. Miners who are not first in time (and thus are not permitted to process the next block) will have effectively expended significant labor and computing power for no gain. Under a proof-of-stake mechanism, several validators can be involved in the processing of a block. One validator may

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5 See ETH ETP Amendment No. 2 at 46471.

be selected to propose a block while other validators verify the content of that block. The corresponding rewards vary per role performed. Additionally, validators do not compete based on computational power like miners do. Instead, the amount of capital each validator has committed, in the form of the blockchain's native currency, is what contributes to the selection. This proof-of-stake system reduces the computational work performed - and energy expended - to validate each block compared to proof-of-work.

Under proof-of-stake, validators staking a minimum of 32 ether are randomly selected by an Ethereum Network algorithm to process transactions. Entities running multiple validator nodes will therefore experience an increased likelihood of any one of their validators being selected based on their share of validators compared to the total active validators on the network. Any malicious activity, such as double signing, disagreeing with the eventual consensus or otherwise violating protocol rules, results in the forfeiture or "slashing" of a portion of the staked ether.

To operate a node on the Ethereum blockchain, a validator must acquire and lock at least 32 ether by sending a deposit transaction to the staking contract. This transaction associates the staked ether with a withdrawal address (to unlock the ether and receive any staking rewards) and a validator address (to designate the validator node performing transaction verification).

Staking by the Sponsor on Behalf of the Trust

The Sponsor may stake, or cause to be staked, all or a portion of the Trust's ether on behalf of the Trust through one or more Staking Providers. The Sponsor expects to maintain sufficient liquidity in the Trust to satisfy redemptions and current liabilities. Any ether staked by the Sponsor on behalf of the Trust will consist exclusively of ether owned by the Trust. The Sponsor's staking activities on behalf of the Trust will be consistent with the May 29, 2025 statement issued by the Divion of Corporation Finance's statement, entitled "Certain Protocol Staking Activities" [6] and will not constitute activities that the SEC has alleged to involve securities offerings in violation of Section 5 of the Securities Act of 1933 (the "Securities Act").[7]

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6 See Division of Corporation Finance, Statement on Certain Protocol Staking Activities (May 29, 2025), available at https://www.sec.gov/newsroom/speeches-statements/statement-certain-protocol-stakingactivities-052925.

7 See SEC v. Payward Ventures, Inc. and Payward Trading, Ltd., (Complaint filed February 9, 2023) available at https:*//www.sec.gov/files/litigation/complaints/2023/comp-pr2023-25.pdf.* (In February 2023, the SEC charged and entered into a settlement order with Payward Ventures, Inc. and Payward Trading Ltd., both commonly known as Kraken, regarding Kraken's alleged failure to register the offer and sale of their crypto asset staking as a service program, whereby investors transfer crypto assets to Kraken for staking in exchange for advertised annual investment returns of as much as 21 percent. According to the SEC's complaint, since 2019, Kraken has offered and sold its crypto asset "staking services" to the general public, whereby Kraken pools certain crypto assets transferred by investors and stakes them on behalf of those investors. According to the SEC,

First, the Sponsor will only stake, or cause to be staked, ether held by the Trust. The Sponsor will not seek to pool ether held by the Trust with ether held by other entities in order to stake its assets in a node. Second, the Sponsor will not advertise itself as providing any staking services generally, or promise or promote any specific level of return from staking, or solicit delegated stakes from entities other than the Trust. Third, the Sponsor will stake, or cause to be staked, the Trust's ether solely in order to preserve the assets of the Trust by contributing to the security of the network and to generate returns for the Trust's shareholders. Fourth, the Sponsor will not bear or subsidize the risk of slashing or forks on behalf of the Trust.

Staking by the Sponsor will not result in ether held by the Trust moving out of the control of the Custodian. The staking contract can only release ether, either remaining principal or rewards, to the withdrawal address specified when the validator is created. The private keys associated with this withdrawal address are controlled by the Custodian. Additionally, the Sponsor will engage with Staking Provider(s) to execute software and hardware necessary for a live validator to perform its duties. Even if the validators are unable to perform these duties due to complete failure or disruption of the hardware, the Custodian is able to retrieve ether from the associated validators.

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investors would lock up – or "stake" – their crypto tokens with Kraken with the goal of being rewarded with new tokens when their staked crypto tokens become part of the process for validating data for the blockchain. The complaint alleged that Kraken touted that its staking investment program offered an easy-to-use platform and benefits that derived from Kraken's efforts on behalf of investors, including Kraken's strategies to obtain regular investment returns and payouts.) See also SEC v. Binance Holdings Limited, et al., (Complaint filed June 5, 2023) available at https:*//www.sec.gov/files/litigation/complaints/2023/comp-pr2023-101.pdf.* (On June 5, 2023, the SEC filed a complaint charging Binance Holdings Ltd. and certain of its affiliates with a variety of securities law violations, including operating a "staking as a service" program. The SEC's complaint alleges, among other things, that BAM Trading violated Sections 5(a) and 5(c) of the Securities Act by offering and selling its staking program without a registration statement, and that BAM Trading's Staking Program was promoted "as a superior and much easier way to obtain staking rewards by, among other things, pooling the crypto assets of a large number of investors.") See also SEC v. Coinbase, Inc. and Coinbase Global (Complaint filed June 6, 2023) available at https:*//www.sec.gov/files/litigation/complaints/2023/comp-pr2023-102.pdf.* (On June 6, 2023, the SEC filed a complaint against Coinbase, Inc. and Coinbase Global in federal district court in the Southern District of New York, alleging, inter alia that Coinbase Inc. violated the Securities Act by failing to register with the SEC the offer and sale of its staking program. The SEC's complaint alleges that through the Coinbase staking program, investors' crypto assets are transferred to and pooled by Coinbase (segregated by asset), and subsequently "staked" (or committed) by Coinbase in exchange for rewards, which Coinbase distributes pro rata to investors after paying itself a 25-35% commission. The SEC also alleges that investors understand that Coinbase will expend efforts and leverage its experience and expertise to generate returns. On February 27, 2025, the SEC filed to dismiss its lawsuit.)

Except for the above changes, all other representations in the ETH ETP Amendment No. 2, as amended, remain unchanged and will continue to constitute continuing listing requirements. In addition, the Trust will continue to comply with the terms of the ETH ETP Amendment No. 2, as amended, and the requirements of Rule 14.11(e)(4).

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.[8] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[9] 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.

The Exchange believes the proposed rule change is designed to remove impediments to and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest because it would allow the Trust to stake its ether on behalf of its investors. The Ethereum network allows for staking of its native asset, ether, and permits validators who successfully stake ether to receive block rewards. The

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8 15 U.S.C. 78f(b).

9 15 U.S.C. 78f(b)(5).

net beneficiaries are not only validators, or those on behalf of whom they stake ether, but also the Ethereum blockchain itself which grows and is progressively made more secure through the validation of transactions. Staking permits validators to contribute to network security and functionality. Validators are compensated for fulfilling this important role through block rewards.

Allowing the Trust to stake its ether would benefit investors and help the Trust to better track the returns associated with holding ether. This would improve the creation and redemption process for both authorized participants and the Trust, increase efficiency, and ultimately benefit the end investors in the Trust.

Except for the addition of staking of the Trust's ether and the changes discussed herein, all other representations made in the ETH ETP Amendment No. 2, as amended, remain unchanged and will continue to constitute continuing listing requirements for the Trust.

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. As noted above, the proposed amendment is intended to benefit investors and allow the Trust to better track the returns associated with holding ether. The Exchange believes these changes will not impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

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

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-2025-114 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-2025-114. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The

Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBZX-2025-114 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.[10]

Sherry R. Haywood,

Assistant Secretary.

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[10] 17 CFR 200.30-3(a)(12).