



Update - Cboe Options Exchange MXUSA LMM Solicitation

Reference ID: C2025072801

OVERVIEW

Applicable Cboe Exchanges: Cboe Options

Cboe Options (the "Exchange") will be accepting applications from interested Trading Permit Holders (TPHs) for the Lead Market-Maker (LMM) role in the Regular Trading Hours (RTH) session for MSCI USA options (Symbol: MXUSA) for the purposes of the MXUSA LMM Incentive Program ("Program"), *subject to regulatory review*. Interested parties must submit application materials to become a MXUSA RTH LMM no later than 4:00 p.m. ET on **Tuesday, July 29, 2025**, ~~Friday, July 25, 2025~~, to Cboe Membership Services.

DETAILS (UPDATED)

The Exchange intends to select **up to two candidates** ~~one candidate~~ to serve as the Program's RTH LMMs for MXUSA **August 1, 2025 through January 31, 2026**, taking into consideration various factors including those set forth in [Cboe Options Rule](#) 3.55.

As any Market-Maker, an LMM appointed to the Program has a regulatory obligation to maintain continuous two-sided quotes in 60% of the series with 270 days or less to expiration in its appointed products for at least 90% of the time it is quoting during all trading sessions (to be measured across all of its class appointments collectively) and satisfy all other Market-Maker obligations set forth in Rule 5.51.

The MXUSA LMM Incentive Program, as will be set forth within the Cboe Options Fees Schedule, provides that a MXUSA RTH LMM that meets or exceeds the Program's heightened quoting standards (provided below) in a month will receive a compensation payment for that month in the amount of **\$10,000** ~~\$20,000~~ (subject to change and announced by Exchange Notice/Fees Schedule, *subject to regulatory review*). To receive the monthly payments, 85% of series must have qualifying post-opening-rotation quotes from the appointed LMM 80% of the time between 9:30 a.m. ET until 4:00 p.m. ET. Cboe Options notes that meeting or exceeding the Program's heightened quoting standards to receive a compensation payment as described above is optional for a MXUSA RTH LMM. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. A "qualifying" quote is one that is no wider than the amount set forth in the table below, and such quotes will qualify only after the series is open (i.e., pre-opening quotes do not count).

Width				
Premium	Expiring	Near Term	Mid Term	Long Term
	(6 days or less)	(7 days to 60 days)	(61 days to 270 days)	(271 days or Greater)
\$0 - \$3.00	\$0.50	\$0.60	\$0.80	\$1.00
\$3.01 - \$5.00	\$1.00	\$0.80	\$1.20	\$1.50
\$5.01 - \$10.00	\$1.50	\$1.20	\$2.50	\$2.00
\$10.01 - \$20.00	\$5.00	\$3.50	\$6.00	\$6.00
Greater Than \$20.00	\$10.00	\$10.00	\$12.00	\$12.00

Size				
Premium	Expiring	Near Term	Mid Term	Long Term
	(6 days or less)	(7 days to 60 days)	(61 days to 270 days)	(271 days or Greater)
\$0 - \$3.00	10	10	10	10
\$3.01 - \$5.00	10	10	5	5
\$5.01 - \$10.00	5	10	5	5
\$10.01 - \$20.00	5	5	5	5
Greater Than \$20.00	5	5	5	5

In calculating whether an LMM meets the Program's heightened quoting standards, the Exchange will exclude from the calculation each month the business day in which the LMM missed the Program's heightened quoting standards in the highest number of series.

Additionally, the Exchange will also offer MXUSA Quoting Performance Payments for that month in the amount of \$15,000 (subject to change and announced by Exchange Notice/Fees Schedule, *subject to regulatory review*) to the MXUSA RTH LMM with the highest performance satisfying the Program's heightened quoting standards. The Exchange will also exclude from the calculation each month the business day in which the LMM missed the Program's heightened quoting standards in the highest number of series.

As pre-open quotes do not count towards the Program's heightened quoting standards, the LMM should be aware that the System will not allow a series to open unless the composite market (i.e., the BBO comprised of appointed Market-Maker quotes in MXUSA) is no wider than the MCW/OCW widths defined in Cboe Options Rule 5.31(a) and presented in the below table, unless there are no orders to trade or limit orders that cross the mid-point of the composite market:

Composite Market Bid Price	Max Composite Width
\$0.00 - \$1.99	0.50
\$2.00 - \$5.00	0.80
\$5.01 - \$10.00	1.00
\$10.01 - \$20.00	2.00
\$20.01 - \$50.00	3.00
\$50.01 - \$100.00	5.00
\$100.01 - \$200.00	8.00
Greater than \$200.00	12.00

Interested parties must submit application materials to become a MXUSA RTH LMM for the MXUSA LMM Incentive Program no later than 4:00 p.m. ET on **Tuesday, July 29, 2025** ~~Friday, July 25, 2025~~ to Cboe Membership Services. The application link can be found [here](#). Please contact [Cboe Membership Services](#) with any application questions.

ADDITIONAL INFORMATION

Questions regarding this topic may be directed to the Cboe Market Structure and Functionality group. Operational questions may be directed to Cboe Operations Support Center. Regulatory questions may be directed to the Cboe Regulatory Interpretations and Guidance team.

We appreciate your business. Our trading community inspires and drives our purpose of building trusted markets.

Cboe Market Structure and Functionality

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