

September 25, 2026

VIA ELECTRONIC SUBMISSION

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Cboe Clear U.S., LLC; Notice of Filing of an Application, as Amended, for Temporary Registration as a Clearing Agency Under Section 17A of the Securities Exchange Act of 1934 (Release No. 34-105960; File No. 600-47)

Dear Ms. Countryman:

Cboe Clear U.S., LLC (“CCUS”) respectfully submits this letter in response to the comment letter submitted by PTG, dated September 8, 2026 (the “PTG Letter”), regarding CCUS’s application, as amended (the “Application”), for temporary registration as a clearing agency under Section 17A of the Securities Exchange Act of 1934 (“Exchange Act”). CCUS appreciates the Commission’s consideration of the Application and PTG’s engagement in this matter.

At the outset, CCUS notes the narrow scope of what is currently before the Commission. The Application requests temporary registration, with full registration to be demonstrated through compliance with all applicable clearing agency requirements within eighteen months of initial approval.¹ PTG expressly “supports CCUS’s temporary registration,” specifically citing how it will help “innovative, investor-protective products” to come to market, and directs its concerns instead to the prospect of permanent registration, which is not currently before the Commission.² PTG does not contend that CCUS fails to satisfy any of the statutory findings required for registration under Section 17A(b)(3) of the Exchange Act, and it identifies no provision of the Exchange Act or the Commission’s rules that would support denial of temporary registration. Indeed, PTG’s policy concerns are belied by the Application and by Cboe’s public statements, as CCUS’s clearing infrastructure has been specifically built to accommodate open-access clearing. For the reasons set forth below, CCUS respectfully submits that the Application satisfies the applicable requirements of the Exchange Act and should be granted.

¹See Application, Exhibit J, at 2 (stating that “CCUS is requesting temporary registration as a part of its Clearing Agency application with full registration via demonstrated compliance with all applicable Clearing Agency requirements within 18 months of initial approval”).

²See PTG Letter at 2.

I. PTG Supports the Temporary Registration That Is Now Before the Commission

The Commission's notice of CCUS's filing of the Application³ concerns a single question: whether CCUS should be granted temporary registration as a clearing agency to provide central counterparty clearing services for cash-settled, binary security options. On that question, PTG and CCUS agree. PTG "supports CCUS's temporary registration as a time-limited bridge that allows innovative, investor-protective products to reach the market."⁴ PTG's opposition is expressly directed elsewhere, at the prospect of permanent registration. Those concerns, however, will only become ripe at the conclusion of the temporary registration period, and that distinction is dispositive of much of the PTG Letter.

II. PTG Identifies No Legal Basis for Denial and Does Not Contend That CCUS Fails Any Statutory Registration Standard

Under Section 19(a)(1) of the Exchange Act, the Commission shall grant registration to a clearing agency if it finds that the requirements of the Exchange Act and the rules and regulations thereunder are satisfied.⁵ The findings enumerated in Section 17A(b)(3) address, among other things, the applicant's capacity to facilitate the prompt and accurate clearance and settlement of securities transactions and to safeguard securities and funds; the equitable allocation of reasonable dues, fees, and charges; rules designed to promote the prompt and accurate clearance and settlement of securities transactions and to protect investors and the public interest; the prohibition against unfair discrimination in the admission of participants; and the requirement that the clearing agency's rules not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.⁶

The PTG Letter does not assert that CCUS fails to satisfy any of these findings. It does not contend that CCUS lacks the operational capacity, financial resources, or risk management framework required of a registered clearing agency; that CCUS's rules fail to provide for equitable and non-discriminatory access; or that CCUS's fee arrangements are inconsistent with the statute. To the contrary, PTG credits the very features of the Application that bear on these findings, acknowledging that CCUS's proposed binary security options are "bounded and fully margined," and that they present "a comparatively simple risk profile relative to conventional options because the maximum payout is fixed and known in advance."⁷ Those are precisely the design features through which CCUS satisfies the financial resources and risk management requirements of Section 17A(b)(3) and Rule 17ad-22, as detailed in the Application.⁸

³ Release No. 34-105960.

⁴ PTG Letter at 2.

⁵ 15 U.S.C. § 78s(a)(1); see also 15 U.S.C. § 78q-1(b)(3) (enumerating the findings the Commission must make).

⁶ See 15 U.S.C. § 78q-1(b)(3)(A), (D), (F), (I).

⁷ PTG Letter at 2.

⁸ See Application, Exhibit J, at 9.

As such there is no legal basis for the Commission to deny registration. The Application, including CCUS's Rules and Form CA-1 and the numerous exhibits thereto, establishes that CCUS meets the applicable requirements of Section 17A and the Commission's rules thereunder.

III. Registering CCUS Advances the Objectives of Section 17A

PTG's central policy concern is that granting the Application "risks recreating, product by product, the kind of monopolistic market structure that the national clearance and settlement system embodied in Section 17A of the Exchange Act was specifically designed to avoid."⁹ Contrary to PTG's assertion, Section 17A of the Exchange Act does not require the creation of a single, exclusive clearing utility, and registering CCUS advances the national system for clearing.

Congress added Section 17A to the Exchange Act through the Securities Acts Amendments of 1975, in response to the securities-processing "paperwork crisis" of the late 1960s, and directed the Commission to facilitate the development of a national system for the prompt and accurate clearance and settlement of securities transactions.¹⁰ Congress did not, however, direct the creation of a single, exclusive clearing utility. To the contrary, the statute's findings and directives are framed in terms of multiple, linked facilities and the preservation of competition. Section 17A(a)(1)(D) identifies the benefits of "the linking of all clearance and settlement facilities and the development of uniform standards and procedures for clearance and settlement," which explicitly presupposes multiple clearance and settlement facilities.¹¹ And Section 17A(a)(2)(A) directs the Commission, in facilitating the national system, to act "having due regard for . . . maintenance of fair competition among brokers and dealers, clearing agencies, and transfer agents."¹² The existence of multiple clearing agencies is therefore not a threat to the statutory design; it is an express object of it.¹³

Registering CCUS is fully consistent with, and indeed advances, this statutory framework. CCUS's central counterparty clearing of binary security options is "designed to reduce bilateral counterparty credit risk, promote market confidence and transparency, and facilitate regulatory oversight of post-trade obligations, thereby advancing the purposes of Section 17A of the Exchange Act."¹⁴ These products currently "trade on platforms that are not national securities exchanges and without the protections of regulated securities trading and clearing," and CCUS's

⁹PTG Letter at 3.

¹⁰See Securities Acts Amendments of 1975, Pub. L. No. 94-29, § 15, 89 Stat. 97, 141 (1975) (adding Section 17A to the Exchange Act); 15 U.S.C. § 78q-1(a)(2)(A).

¹¹15 U.S.C. § 78q-1(a)(1)(D).

¹²15 U.S.C. § 78q-1(a)(2)(A).

¹³Separately, the Exchange Act requires the Commission to consider the anticompetitive effects of its actions. See 15 U.S.C. § 78c(f) (providing that when the Commission engages in rulemaking or review of a rule of a self-regulatory organization, that it consider, among other things, whether the action will promote competition); 15 U.S.C. § 78w(a)(2) (prohibiting adoption of rules or regulations that "impose a burden on competition not necessary or appropriate in furtherance of the purposes of this chapter").

¹⁴Application, Exhibit J, at 1.

registration “would bring these products within a regulated securities framework that safeguards market participants and supports the stability of the broader financial system.”¹⁵ Far from recreating a structure that Section 17A was designed to avoid, the Application seeks to bring activity from outside the SEC’s remit within the national clearance and settlement system that Section 17A was enacted to build, allowing it to function within the SEC’s gold-standard investor protection framework.

IV. CCUS’s Application Is Pro-Innovation and Pro-Competitive

PTG suggests that registering CCUS on a permanent basis would harm competition. To the contrary, granting CCUS temporary registration to clear cash-settled binary security options would introduce an additional regulated central counterparty to the U.S. options clearing landscape, expanding market participants’ choices and supporting product innovation for investors. In addition, CCUS is not only receptive to providing open-access clearing as PTG suggests, but its clearing infrastructure has been built specifically with open-access clearing top of mind.¹⁶ PTG’s submission illustrates the point, expressly noting that CCUS’s registration can assist with the “pace of innovation.”¹⁷

The Commission’s approach to the role of clearing agencies in other markets reinforces that the addition of market infrastructures that help bring innovative products to market serve investors and the public interest. In the U.S. Treasury market, the Commission has recently welcomed new entrants to serve investors alongside the established clearing provider, with one entrant noting that a new clearing agency would “bring significant enhancements to the resiliency” of the market “by expanding access to central clearing.”¹⁸ The same logic applies here. To be clear, Cboe remains supportive of the Options Clearing Corporation (“OCC”), currently the sole registered clearing agency for standardized listed options in the United States, and the important role it plays in derivatives markets. Cboe and CCUS will work with the Commission and any other registered options clearing agency, including OCC, to promote the national market system in the interest of maintaining fair and orderly markets and the protection of investors.

¹⁵ *Id.*

¹⁶ See Application, Exhibit J, at 1; see also CCUS website, Overview, Open Access Model (“Cboe Clear U.S.’s open-access framework enables the clearing of trades executed across both Cboe-owned and third-party venues, simplifying post-trade workflows and reducing operational complexity across multiple execution environments”), available at <https://www.cboe.com/solutions/clearing/us>. See also generally Application Ex. E-1.102 (Cboe Clear U.S. Participating Exchange Policy); Application Exhibit G (describing CCUS’s approach to reviewing additional potential exchanges for provision of clearing services).

¹⁷ PTG Letter at 2.

¹⁸ See Letter from CME Securities Clearing Inc. to Vanessa A. Countryman, Secretary, SEC, re File No. 600-44, at 1 (May 27, 2025) (responding to comments and agreeing with commenters that the CMESC application “will bring significant enhancements to the resiliency of the U.S. Treasury markets by expanding access to central clearing”).

PTG's other concerns also do not counsel against registration. PTG speculates that a Cboe-affiliated clearing agency might not price at arm's length.¹⁹ CCUS has submitted its proposed fee schedule as Exhibit E-4 to the Application, demonstrating transparent and reasonable pricing. CCUS's Rules require that its fees and charges be imposed on a reasonable and non-discriminatory basis, consistent with Section 17A(b)(3)(D), and any CCUS fee schedule will be subject to the Commission's ongoing oversight through the rule-filing process under Section 19(b) of the Exchange Act. In any event, fee regulation concerns the ongoing supervision of CCUS's operations, not whether CCUS satisfies the statutory standards for temporary registration.

CCUS also recognizes the commercial importance to market participants, including PTG's members, of portfolio- and cross-margining efficiencies. The existence of a second clearing agency does not mean those efficiencies will be unavailable, and CCUS intends to diligently pursue any potential cross-margining arrangement that may benefit investors. Cboe is no stranger to open access clearing and interoperability. Cboe Clear Europe N.V. provides clearing services not only for Cboe Europe, but also for competing trading venues, reflecting Cboe's demonstrated commitment to facilitating market-wide access and efficiency. Cross-margining arrangements between separately registered clearing organizations are a well-established mechanism for achieving margin efficiencies across venues, and the Commission has long viewed such programs as consistent with a clearing agency's responsibilities under Section 17A of the Exchange Act.²⁰

PTG's portfolio-margining concern has limited application to the product set now before the Commission. CCUS's binary security options are fully margined, with the initial margin requirement covering all possible price movements, and the maximum potential loss on any single contract fixed and known at the time of trade execution.²¹ Because each position is collateralized to its bounded maximum loss, there is no residual, uncollateralized exposure of the kind that portfolio- or cross-margining across venues exists to offset. To the extent the efficiencies PTG describes arise in connection with products that CCUS may clear in the future, the nature of any potential cross-margining arrangements is highly speculative at this stage, and does not bear on whether CCUS's Application should be granted.

¹⁹See PTG Letter at 4.

²⁰See Self-Regulatory Organizations; Fixed Income Clearing Corporation; Order Approving Proposed Rule Change, Exchange Act Release No. 98327 (Sept. 8, 2023) (File No. SR-FICC-2023-010) (stating that the Commission "continues to view cross-margining programs as consistent with clearing agency responsibilities under Section 17A of the Exchange Act"); Self-Regulatory Organizations; The Options Clearing Corporation, Exchange Act Release No. 57614, 73 Fed. Reg. 16405 (Mar. 27, 2008) (finding that "[c]ross-margining enhances the safety of the clearing system while providing lower clearing margin costs to participants" and is "consistent with the purposes and requirements of Section 17A").

²¹See Application, Exhibit J, at 3 (explaining that a binary option's "bounded payout structure means the maximum potential loss on any single contract is known at the time of trade execution," and that CCUS "requires that it be fully margined through the initial margin requirement").

V. Conclusion

PTG supports the temporary registration currently before the Commission. CCUS satisfies all registration standards of the Exchange Act, approval of the Application is consistent with Congressional intent to foster a linked national clearance and settlement system rather than to preserve a single clearing utility through Section 17A, and CCUS's registration as a clearing agency would aid in bringing innovative and investor-focused products to market. For the foregoing reasons, and for the reasons set forth in the Application, CCUS respectfully requests that the Commission grant CCUS's application for temporary registration as a clearing agency under Section 17A of the Exchange Act.

CCUS appreciates the Commission's consideration of this letter and of the Application, and welcomes the opportunity to discuss any questions the Commission or its staff may have.

Sincerely,

/s/ Dale Michaels

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