**Form CA-1 – Exhibit S**

Request for Temporary Registration and Related Exemptions

Cboe Clear U.S., LLC ("CCUS")[1] is requesting that the Securities and Exchange Commission (the "Commission") grant it temporary registration as a securities clearing agency pursuant to Section 17A(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Commission Rule 17Ab2-1(c).

As discussed with Commission staff, CCUS is seeking registration as a securities clearing agency to facilitate the clearing of binary options that are securities and are proposed to be traded on Cboe Exchange, Inc., a registered national securities exchange (the "Exchange").[2] The binary options proposed to be cleared initially will include binary options overlying key performance indicators ("KPIs") reported by certain issuers of equity securities that are registered under Section 12 of the Exchange Act ("Binary KPI Options"). Binary KPI options are European-style, cash-settled options contracts whose exercise settlement value is determined not by the market price of the underlying security, but by whether a specific KPI—i.e., a financial or operating performance metric reported by the issuer in an earnings-related filing made with the Commission under the Exchange Act[3] —meets or exceeds a pre-specified strike level.

As discussed in further detail in the Exchange Filing, CCUS believes that Binary KPI Options are properly classified as "securities" under the Exchange Act. The Exchange Act defines the term "security" to include "any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof)."[4] The Binary KPI Options satisfy this definition because they are options "based on the value [of a security or securities]."[5] The proposed KPIs, including net income, net sales, net interest income, provision for credit losses, and specified expense metrics, are among the most significant inputs into the valuation of an issuer's stock. These KPIs are disclosed in earnings-related filings made with or furnished to the SEC because they are material to investors in evaluating the value of the underlying stock. A financial instrument whose payoff is contingent on whether an issuer achieves one of these KPI thresholds is, by functional and economic definition, a derivative whose payoff depends on performance metrics that directly determine the value of the issuer's security. Therefore, an option that is based on one or more of the proposed KPIs is "based on the value of" that issuer's security within the meaning of the Exchange Act.

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[1] As discussed herein, CCUS is currently registered with the Commodity Futures Trading Commission ("CFTC") as a derivatives clearing organization ("DCO") under the Commodity Exchange Act in connection with its clearing and settlement of certain transactions relating to digital assets. CCUS has elected to be designated as a "subpart C" DCO pursuant to 17 C.F.R. 39.31, as a result of which it is subject to the additional DCO standards and requirements set forth in Subpart C of Part 39 of the CFTC regulations. See Cboe Clear U.S., LLC Rule Certification for Subpart C Policies and Procedures Updates Submission Number CCUS-2026-03, available here: https://www.cftc.gov/filings/orgrules/rules0602265120.pdf (the "Subpart C Filing").

[2] The Exchange will file with the Commission, pursuant to Commission Rule 19b-4, a proposed rule change to amend its rules to permit the listing of the Binary KPI Options.

[3] Specifically, such filings would include those made on Forms 10-K, 10-Q or 8-K or their equivalents for the relevant type of issuer (or any successor forms).

[4] 15 U.S.C. 78c(a)(10).

[5] The SEC has confirmed on numerous occasions that the term "security" includes options that are based on the value of securities or that are interests in securities. *See, e.g.*, Securities Exchange Act Release No. 55871, 72 FR 32372, 32376-77 (June 12, 2007) (concluding that credit default options "are options 'based on the value [of a security or securities]' and, therefore, securities" and that credit default options "are options on an 'interest in,' or based on the value of an interest in, a security or securities within the meaning of Section 3(a)(10) of the Act") (brackets in original); *In the Matter of EZTD*, Securities Exchange Act Rel. No. 79292 (Nov. 10, 2016) (finding that "[a]ll of the binary options that EZTD offered and sold to U.S. customers, however, are options based on the value of a security or index of securities, and thus are securities under the [definitions in the Securities Act and the Exchange Act]").

Further, we note that the Commodity Exchange Act ("CEA") expressly excludes from the definition of "swap" "any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities, including any interest therein or based on the value thereof, that is subject to [the Securities Act and the Exchange Act]."[6] Pursuant to this exclusion, if an instrument qualifies as a securities option (as CCUS believes the proposed Binary KPI options do), it is categorically removed from the swap and security-based swap regimes as a matter of statutory construction. Put another way, because security-based swaps are, by definition, a subset of swaps, an instrument that falls within the securities option exclusion from the definition of "swap" cannot, as a matter of statutory construction, be a security-based swap.[7][8]

CCUS is seeking temporary registration as a securities clearing agency to permit it to clear Binary KPI Options to meet market demand for Binary KPI Options while enabling such trading to occur in the regulated securities trading environment. Trading and clearing of Binary KPI Options as securities options under the Exchange Act is consistent with the Commission's established regulatory framework for options, including investor protection objectives, and preserves the integrity of insider trading prohibitions and material nonpublic information ("MNPI") controls. Because these contracts are tied to MNPI risks that are substantially identical to, and in certain respects exceed, those present in traditional securities trading, aligning Binary KPI Options with the securities regulatory framework preserves the integrity of insider trading prohibitions and the Commission's disclosure regime. Listing Binary KPI Options on a registered national securities exchange and clearing them through a registered securities clearing agency subjects trading activity in these products to SRO and Commission surveillance for, among other things, manipulative trading and insider trading, affording investors the full protections of the federal securities laws. Further, trading of Binary KPI Options on securities exchange and clearing them through registered securities clearing agencies under the Exchange Act allows these contracts to be offered by the same liquidity providers that offer listed options today, all of whom are SEC-registered and regulated broker-dealers who are also subject to FINRA and exchange SRO oversight, and allows such contracts to be traded by the same retail customer base that trade binary options (and KPI-related contracts) today.

In seeking temporary registration, CCUS intends to facilitate trading and clearing of KPI-based binary options in this evolving market, including by retail market participants through broker-dealer intermediaries, while recognizing that existing securities clearing agencies may not be prepared or willing to clear these new products. CCUS is not seeking to clear existing standardized securities options products, which are traded on its affiliated exchanges and other national securities exchanges and cleared through the Options Clearing Corporation ("OCC"). Cboe Global Markets ("CGM")-operated exchanges have a long history of close, successful and productive relationships with the other option exchanges and the OCC in the development and operation of the robust standardized listed option markets, and CCUS's application for temporary registration is not intended to affect the operation of those existing markets. Rather, the application is intended to facilitate the development and clearing of

[6] 7 U.S.C. 1a(47)(B)(iii).

[7] In the recent "Statement on Tokenized Securities" published jointly by the Division of Corporation Finance, the Division of Trading and Markets, and the Division of Investment Management, the interplay of the statutory definitions was described as follows (footnotes omitted):

> The assessment of whether a financial instrument is a security-based swap or a linked security depends, in part, on the exclusions from the definition of "swap." There are several exclusions from the definition of "swap" relating to securities. To the extent a financial instrument falls into one of these exclusions, it is not a swap and, therefore, is not a security-based swap. For example, any note, bond, or evidence of indebtedness that is a security, as defined in Section 2(a)(1) of the Securities Act, is excluded from the definition of swap. Similarly, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities, including any interest therein or based on the value thereof, that is subject to the Securities Act and the Exchange Act, is excluded from the definition of swap.

[8] See Exchange Filing.

new and evolving securities option products, including in the general event market category, within the overall securities regulatory environment but for which the existing listed securities option framework may not be appropriate or available at this time.

CCUS initially expects to clear binary security options, including Binary KPI Options, pursuant to securities clearing agency registration. CCUS may consider the clearing of other novel securities option products in the future, including tokenized security options. Any future expansion of its clearing activities to such other products would be subject to evaluation and approval by the Commission pursuant to an amendment to CCUS's registration or under the Section 19(b) and Rule 19b-4 approval process, as applicable, in either case in light of the standards under Section 17A of the Exchange Act.

It is CCUS's intention to proceed to obtain full registration within 18 months of first commencing clearing activity of Binary KPI Options (or sooner if deemed appropriate by the Commission).

CCUS believes that its proposed securities clearing agency activities will be substantially compliant upon registration with the requirements of Section 17A(b)(3) of the Exchange Act and the Commission rules thereunder, including Rules 17ad-22 and 17ad-25, as set out in further detail in the Exhibits to the CA-1 application and other supporting documentation. Nonetheless, there are certain matters, as set forth below, for which CCUS would request temporary relief from certain findings otherwise required to be made under Section 17A(b)(3) of the Exchange Act in connection with its temporary registration.

## Temporary Relief

As set forth above, CCUS believes that it is substantially compliant with the requirements of Section 17A(b)(3) of the Exchange Act. Nonetheless, CCUS is requesting certain relief, during the period of temporary registration, from the Commission having to make findings with respect to certain aspects of those requirements to facilitate further discussion with and evaluation by the Commission and to provide additional time to come into full compliance, where it is ultimately determined to be necessary.

a. Participation Standards.

CCUS has established clearing membership standards applicable to its proposed securities clearing business, which are an extension of those currently applicable to its non-securities based business. With the exception of Direct Clearing Members, Clearing Members eligible to clear securities products, either for their own accounts or the account of a customer, must be registered broker-dealers under the Exchange Act, must meet the other eligibility standards set out in Chapter 3 of the Rules and must enter into a clearing member agreement with CCUS in the form prescribed by the Rules. Clearing Members are subject to ongoing financial responsibility requirements, to ensure that they have sufficient financial resources and liquidity to meet their obligations to CCUS in respect of cleared transactions. Clearing Members are also required to meet ongoing standards as to operational capacity, including as to personnel, books and records, and internal procedures, among other matters. CCUS believes that these standards are appropriate to support the prompt and accurate clearance and settlement of the binary security options it proposes to clear.

CCUS acknowledges that the Rules do not at this time reference all of the categories of participants enumerated in Section 17A(b)(3)(B) of the Exchange Act, including other registered clearing agencies, registered investment companies, banks, insurance companies and other classes of persons designated as appropriate by the Commission. CCUS believes that generally requiring Clearing Members to be broker-dealers for the securities clearing business is appropriate for the launch of binary option clearing in light of the nature of the product, the categories of market participants who have indicated an interest in clearing Binary KPI Options, CCUS's risk management and liquidity framework, the broker-dealer customer protection framework and other factors. Based on market feedback, CCUS would be prepared to consider the feasibility and appropriateness of the other types of enumerated participants in the securities clearing business during the temporary registration period, in consultation with the Commission and its staff. CCUS therefore respectfully requests relief from the Commission making a determination with respect to this aspect of Rule 17A(b)(3)(B) as part of CCUS's temporary registration.

b. Fees.

CCUS has not included a schedule of prospective fees for the proposed securities clearing business at this time, and expects to develop a schedule fees prior to launch of the Binary KPI Options that is reasonable based on relevant commercial considerations, including the costs of developing the securities clearing business, expected ongoing operating costs (including ongoing operational, personnel, risk management, systems, compliance, legal and regulatory costs), market conditions for clearing services, the commercial expectations of the parent company and its investors, the competitive environment and other commercial factors. As a result, CCUS requests relief from the Commission making a determination with respect to compliance with Section 17A(b)(3)(D) of the Exchange Act in connection with its temporary registration.

c. Rules.

CCUS has adopted Rules, and related policies and procedures, that address the manner in which it will provide for the prompt and accurate clearance and settlement of the binary security options proposed to be cleared pursuant to securities clearing agency registration. The relevant Rules and policies, some containing revisions made in anticipation of clearing binary security options, are included in Exhibit E, and CCUS is continuing to revise its policies in advance of its plan to launch binary security options. Exhibit J discusses in further detail various aspects of the securities clearing service, including the standards for Clearing Members, the risk management framework (including the full margining model for Binary KPI Options), default management, financial resources, trade processing and novation and settlement procedures. Exhibit L discusses the manner in which CCUS will maintain cash and securities posted as margin by Clearing Members, for both proprietary and customer accounts.

I. Participation

CCUS believes that its Rules, policies and procedures are substantially consistent with the requirements of Section 17A(b)(3)(F) of the Exchange Act, as set out in this application. Nonetheless, as discussed in subsection a. above, CCUS has limited clearing membership to registered broker-dealers at this time. CCUS thus requests relief from the Commission making a determination with respect to its membership standards under any contrary requirements of Section 17A(b)(3)(F) during its period of temporary registration.

II. Regulation SCI

In addition, CCUS requests, to the extent it is deemed necessary, limited relief at the time of its initial temporary registration from the Commission making a determination with respect to Section 17A(b)(3)(A) and (F) as it relates to the application of Regulation SCI to CCUS. As a registered securities clearing agency, CCUS would become an "SCI Entity" subject to Regulation SCI.[9] CCUS has

[9] 17 C.F.R. 242.1000 et seq.

undertaken a comprehensive initiative to assess, enhance, and document its policies, procedures, and operational processes in anticipation of becoming subject to Regulation SCI. This effort includes reviewing existing CCUS policies and procedures and those of affiliated CGM entities,[10] identifying areas for enhancement or entity-specific tailoring, and developing controls and supporting documentation. CCUS is leveraging CGM's established Regulation SCI framework applicable to other SCI-subject CGM entities and related expertise to support the execution of these enhancements and the development of its compliance program for CCUS.

As of the date of this application, CCUS has established the core components of its Regulation SCI compliance framework.[11] CCUS is progressing with additional targeted enhancements, which it expects to complete by the time it launches clearing of Binary KPI Options (but which may not be complete at the time of registration as a securities clearing agency). Consistent with the registration process for other securities clearing agencies, CCUS believes it is appropriate and consistent with Section 17A of the Exchange Act to make these revisions after application and prior to launch, as the Commission has explained that "[a]n approval of clearing agency registration does not mean that no further modifications of the applicant's rules, systems, procedures, or practices are needed."[12] However, out of an abundance of caution, and because of the significance of Regulation SCI and the manner in which its provisions differ from those of the corresponding CFTC regulations with which CCUS currently complies, CCUS requests relief, to the extent the Commission deems it necessary, to delay full compliance with Regulation SCI until it is ready to launch clearing of Binary KPI Options. Set forth in Confidential Exhibit S-1 is CCUS's readiness plan for the remaining incremental steps to come into full compliance with Regulation SCI, including as to policies and procedures governance, systems capacity and stress testing, monitoring and event reporting, risk control, and training and governance.

Additional Requested Relief Under Commission Rule 15c3-3

CCUS additionally requests that to the extent necessary the Commission grant an exemption, or provide other appropriate relief, to permit registered broker-dealers trading on behalf of customers in binary options on the Exchange that are cleared at CCUS to treat collateral posted to CCUS in the same manner as collateral posted for options cleared at OCC for purposes of calculating the customer and PAB account reserve requirement under Commission Rule 15c3-3a. Note F to that Rule provides that item 13 of the reserve amount calculation must include the amount of margin required and on deposit with OCC to the extent such margin is represented by cash, proprietary qualified securities and letters of credit collateralized by customers' securities. CCUS believes that the same treatment should apply to margin required and on deposit with CCUS or any other registered securities clearing agency for options (and further that the specific reference to OCC in Item 13 and Note F reflect the fact that OCC has been the sole registered clearing agency for options, rather than any feature that would distinguish OCC from other registered securities clearing agencies for options). This similar treatment would be important to facilitate the practical ability of broker-dealers to trade in binary options cleared through CCUS for their customers without being subject to an unnecessarily burdensome reserve requirement under Rule 15c3-3 as compared to other cleared securities options.

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[10] We note in this regard that existing CGM national securities exchanges, including the Exchange, are already SCI Entities.

[11] CCUS is also in compliance with the requirements relating to system safeguards applicable to a "subpart C" derivatives clearing organization under Part 39 of the CFTC Regulations. See 17 C.F.R. 39.34.

[12] SEC Release No. 34-104281, 90 Fed. Reg. 55926, 55927 (Dec. 4, 2025) (quoting Release No. 34-69838, 78 Fed. Reg. 39027, 39029 (June 24, 2013)). The Commission further noted that as a result, it does not assess in its registration orders "whether [the] ultimate implementation of the rules, policies, and procedures set forth [in a clearing agency application] will comply with each of the Commission's rules for clearing agencies, as [the applicant] is not yet operating as a clearing agency." *Id.* at 55927-28.