

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-102506; File No. SR-CBOE-2024-036)

February 28, 2025

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 1, to List and Trade Options on the Fidelity Ethereum Fund

On August 19, 2024, Cboe Exchange, Inc. (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to list and trade options on Units³ that represent interests in Ethereum exchange-traded products. The proposed rule change was published for comment in the Federal Register on September 4, 2024.⁴

On October 11, 2024, pursuant to Section 19(b)(2) of the Act,⁵ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁶ On November 14, 2024, the Commission instituted proceedings pursuant to Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Cboe Rule 1.1 defines a “Unit” (which may also be referred to as an exchange-traded fund (“ETF”)) as a share or other security traded on a national securities exchange and defined as an NMS stock as set forth in Rule 4.3.

⁴ See Securities Exchange Act Release No. 100862 (Aug. 28, 2024), 89 FR 72146.

⁵ 15 U.S.C. 78s(b)(2).

⁶ See Securities Exchange Act Release No. 101321, 89 FR 83723 (Oct. 17, 2024).

⁷ 15 U.S.C. 78s(b)(2)(B).

change.⁸ On January 21, 2025, the Exchange submitted Amendment No. 1 to the proposal.⁹ The Commission received comments regarding the proposal.¹⁰

Section 19(b)(2) of the Act¹¹ provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the Federal Register on September 4, 2024. March 3, 2025 is 180 days from that date, and May 2, 2025 is 240 days from that date.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change, as modified by Amendment No. 1, so that it has sufficient time to consider the proposed rule change, as modified by Amendment No. 1. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,¹² designates May

⁸ See Securities Exchange Act Release No. 101631, 89 FR 91811 (Nov. 20, 2024).

⁹ Among other things, Amendment No. 1 narrows the scope of the proposal from listing and trading options on Units that represent interests in nine Ethereum exchange-traded products to listing and trading options on Units that represent interests in just the Fidelity Ethereum Fund; sets position and exercise limits for options on the Fidelity Ethereum Fund at 25,000; states the Fidelity Ethereum Fund options will be excluded from trading as Flexible Exchange options; and provides additional details regarding surveillance. Amendment No. 1 is available at: <https://www.sec.gov/comments/sr-cboe-2024-036/srcboe2024036-575275-1648743.pdf>.

¹⁰ Comments on the proposal are available at: <https://www.sec.gov/comments/sr-cboe-2024-036/srcboe2024036.htm>.

¹¹ 15 U.S.C. 78s(b)(2).

¹² Id.

2, 2025 as the date by which the Commission shall either approve or disapprove the proposed rule change, as modified by Amendment No. 1 (File No. SR-CBOE-2024-036).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

J. Matthew DeLesDernier,

Deputy Secretary.

¹³ 17 CFR 200.30-3(a)(57).