

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103782; File No. SR-CBOE-2025-020]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, to Eliminate Position and Exercise Limits for Options on the S&P 500 Equal Weight Index

August 27, 2025.

I. Introduction

On March 14, 2025, Cboe Exchange, Inc. (“Exchange” or “Cboe Options”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ a proposed rule change to eliminate position and exercise limits for options that overlie the S&P 500 Equal Weight Index (based on both the full value (“SPEQF options”) and one-tenth the value (“SPEQX options”) of the index). The proposed rule change was published for comment in the Federal Register on March 31, 2025.⁴ On May 9, 2025, 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

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Act Release No. 102720 (March 25, 2025), 90 FR 14297 (“Notice”). The initial proposed rule change also would have eliminated position and exercise limits for options that overlie the S&P 500 Scored and Screened Index (formerly known as the S&P 500 ESG Index) (“SPESG options”). As described below, the Exchange removed this aspect of the proposal in Amendment Nos. 1 and 2. See infra note 9.

⁵ See 15 U.S.C. 78s(b)(2).

rule change.⁶ On June 26, 2025, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁷ to determine whether to approve or disapprove the proposed rule change.⁸

On July 7, 2025, the Exchange filed Amendment No. 1 to the proposed rule change; on July 23, 2025, the Exchange withdrew Amendment No. 1 and replaced it with Amendment No. 2.⁹ The Commission received no comments on the proposed rule change. The Commission is publishing this Notice and Order to solicit comment on Amendment No. 2 in Sections II and III below, which sections are being published verbatim as filed by the Exchange, and to approve the proposed rule change, as modified and superseded by Amendment No. 2, on an accelerated basis.

II. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend the position and exercise limits for options that overlie the S&P 500 Equal Weight Index (based on both the full value and one-tenth the value of the index) (“SPEQF options” and “SPEQX options,” respectively). The text of the proposed rule change is provided in Exhibit 5.

⁶ See Securities Exchange Act Release No. 103017, 90 FR 14297 (May 15, 2025). The Commission designated June 30, 2025, as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 103338, 90 FR 28846 (July 1, 2025) (“OIP”).

⁹ Amendment Nos. 1 and 2 are publicly available on the Commission’s website at <https://www.sec.gov/comments/sr-cboe-2025-020/srcboe2025020.htm>. Amendment No. 1 superseded and replaced the initial proposal; it removed SPESG options from the scope of the proposed rule change and provided additional support for and detail regarding what remained in the proposed rule change, namely, the proposed removal of position and exercise limits for SPEQF and SPEQX options. The exchange withdrew Amendment No. 1 due to a technical error in the Exhibit 1. Amendment No. 2 supersedes and replaces the initial filing and Amendment No. 1. In Amendment No. 2, the Exchange corrected that technical error in the Exhibit 1 of Amendment No. 1 but otherwise retained what was set forth in Amendment No. 1 without making any substantive changes to the initial filing other than those that were set forth in Amendment No. 1.

The text of the proposed rule change is also available on the Exchange's website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>) and at the Exchange's Office of the Secretary.

III. 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 V 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 purpose of this proposed rule change is to amend the position and exercise limits for SPEQF options and SPEQX options. Pursuant to Rule 8.31(a), the current position limit for each of these three options is 25,000 contracts.¹⁰ Pursuant to Rule 8.42(b), the exercise limit for each of these options is equivalent to its position limit and thus is also 25,000 contracts. With respect to flexible exchange options ("FLEX options"), Rule 8.35(a)(2) provides that the position limits for FLEX SPEQF and SPEQX options are 200,000 contracts, and Rule 8.42(g) provides that the exercise limits are also 200,000 contracts.

The proposed rule change amends Rules 8.31(a) and 8.35(b) to eliminate the position and exercise limits for each of SPEQF and SPEQX options (including FLEX options). This would also eliminate the exercise limits for these options pursuant to Rule 8.42(b) and (g). There are

¹⁰ Positions (and exercises) are further limited to 15,000 near-term contracts. See Rule 8.31(a).

currently no position or exercise limits for many other broad-based index options (including FLEX), including SPX and XSP options. The underlying index of SPX and XSP options (the S&P 500 Index) is comprised of the same components as SPEQF and SPEQX options. In addition, the Exchange notes that other S&P 500 Index-related options (e.g., S&P 500 Dividend Index) have no position or exercise limits. FLEX SPEQF and SPEQX options will be subject to the same reporting requirements triggered for other FLEX options traded on the Exchange.¹¹ Given the relationship between the S&P 500 Equal Weight Index and the S&P 500 Index, the Exchange understands that market participants' investment and hedging strategies may consist of options overlying any or all of these options. As a result, the Exchange believes it is appropriate for these options to all be subject to the same position and exercise limits to provide them with the ability to execute these strategies with sufficient flexibility and in a consistent manner.

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.¹² Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹³ 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

¹¹ See Rule 8.35(b).

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change will promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest, because it is consistent with existing rules regarding position and exercise limits for many broad-based index options currently authorized for listing and trading on the Exchange. There are currently no position limits for related options that overlay the S&P 500 Index, the components of which are the same as those of the S&P 500 Equal Weight Index. Because of this relationship between the S&P 500 Equal Weight Index and the S&P 500 Index, options on all of which market participants may use as hedging vehicles to meet their investment needs in connection with S&P 500 Index-related products and cash positions, the Exchange believes the proposed rule change will benefit investors, as it will permit market participants to use these options in accordance with consistent rules with respect to their investment and hedging strategies.

Despite the overlapping constituents of the indexes underlying SPX options and SPEQF and SPEQX options, these options provide investors with important alternate investment opportunities. With respect to SPEQF and SPEQX options, the U.S. equity markets have experienced increased levels of concentration in recent years. SPEQF and SPEQX options provide market participants with alternative tools to manage their risk and diversify their

¹⁴ Id.

exposure to the stocks comprising the S&P 500 Index by permitting them to gain broad exposure to these stocks using options that would be less impacted by a shift in concentration and market momentum. Because capitalization-weighted indexes such as the S&P 500 Index are more impacted by larger capitalized stocks, options overlying an equal-weighted index (such as the S&P 500 Equal Weight Index) would benefit investors by permitting them to hedge against potential swings in the largest stocks comprising the S&P 500 Index while maintaining the ability to hedge across the entire span of S&P 500 constituent securities. Because the components of the S&P 500 Equal Weight Index are the same as the components of the S&P 500 Index, market participants may use options overlying these indexes as a hedging vehicle to meet their investment needs in connection with S&P 500-related products and cash positions, and, therefore, the Exchange believes it is appropriate to provide generally consistent features between options on these indexes, as that ultimately will remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes imposing lower position and exercise position limits on SPEQF and SPEQX options may unnecessarily restrict investors' abilities to use these options to achieve their investment goals.

The Exchange believes the proposed rule change is designed to prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade. The S&P 500 Equal Weight Index, like the S&P 500 Index, is comprised of the 500 largest capitalized stocks listed on U.S. securities exchanges. These stocks cover approximately 80% of the total U.S. stock market capitalization. The Exchange believes the deep, liquid markets for these large-capitalization stocks reduces concerns of market manipulation or impact on the underlying markets. Despite the difference in weighting of the constituents in the S&P 500 Equal Weight Index (each constituent would be approximately 0.2%) compared to the weight of the

constituents in the S&P 500 Index (constituent weightings currently range from 0.01% to just under 7%), it would be difficult for investors to manipulate the index value of the S&P Equal Weight Index. Doing so would require investors to influence the value of a large number of constituent stocks to impact the value of the index, which the Exchange believes would be prohibitively expensive to do so, even for the less liquid constituents. Similarly, even the least liquid constituents in the S&P 500 Equal Weight Index are still amongst the most liquid and largest capitalized stocks in the United States, making it unlikely those markets could be materially impacted by increased options trading. Therefore, the Exchange does not believe the elimination of position (and exercise) limits for SPEQF and SPEQX options will increase the risk of manipulation of the index value or impact the markets for the underlying constituents.

If the Commission approves the proposed rule change, the reporting requirements for SPEQF and SPEQX options would remain unchanged. Specifically, the Exchange's requirement that TPHs file reports with the Exchange for any customer who held aggregate large long or short positions on the same side of the market of 200 or more option contracts of any single class for the previous day will remain at this level for the options subject to this proposal and will continue to serve as an important part of the Exchange's surveillance efforts.¹⁵ While SPEQX and SPEQF options are not subject to the hedged position reporting requirement in Rule 8.43(b),¹⁶ the Exchange may access this position information from TPH.¹⁷

¹⁵ See Rule 8.43(a).

¹⁶ Rule 8.43(b) applies only to non-FLEX equity options.

¹⁷ The Options Clearing Corporation ("OCC") through the Large Option Position Reporting ("LOPR") system acts as a centralized service provider for TPH compliance with position reporting requirements by collecting data from each TPH or TPH organization, consolidating the information, and ultimately providing detailed listings of each TPH's report to the Exchange, as well as Financial Industry Regulatory Authority, Inc. ("FINRA"), acting as its agent pursuant to a regulatory services agreement ("RSA").

The Exchange believes that the existing surveillance procedures and reporting requirements at the Exchange and other SROs are capable of properly identifying disruptive and/or manipulative trading activity. The Exchange also represents that it has adequate surveillances in place to detect potential manipulation, as well as reviews in place to identify potential changes in composition of the S&P 500 Equal Weight Index and continued compliance with the Exchange's listing standards. These procedures utilize daily monitoring of market activity via automated surveillance techniques to identify unusual activity in both options and the underlying index, as applicable.¹⁸ The Exchange also notes that large stock holdings must be disclosed to the Commission by way of Schedules 13D or 13G,¹⁹ which are used to report ownership of stock which exceeds 5% of a company's total stock issue and may assist in providing information in monitoring for any potential manipulative schemes.

The Exchange believes that the current financial requirements imposed by the Exchange and by the Commission adequately address concerns regarding potentially large, unhedged positions in SPEQX and SPEQF options. Current margin and risk-based haircut methodologies serve to limit the size of positions maintained by any one account by increasing the margin and/or capital that a TPH must maintain for a large position held by itself or by its customer.²⁰ In addition, Rule 15c3-1²¹ imposes a capital charge on TPHs to the extent of any margin deficiency resulting from the higher margin requirement.

¹⁸ The Exchange believes these procedures have been effective for the surveillance of trading the options subject to this proposal and will continue to employ them.

¹⁹ 17 CFR 240.13d-1.

²⁰ See Chapter 10 of the Exchange's rulebook, including Rule 10.3, for a description of margin requirements.

²¹ 17 CFR 240.15c3-1.

When approving the Exchange’s proposed rule change to eliminate position limits for SPX options, the Commission noted it believed “that the enormous capitalization of and deep, liquid markets for the underlying securities contained in these indexes significantly reduces concerns regarding market manipulation or disruption in the underlying market.”²² The Commission continued, stating that “[r]emoving position and exercise limits for these index options may also bring additional depth and liquidity, in terms of both volume and open interest, to [SPX options] without significantly increasing concerns regarding intermarket manipulations or disruptions of the options or the underlying securities.”²³ This finding would apply to the S&P 500 Equal Weight Index, and thus SPEQF and SPEQX options, given that it is comprised of the same components as the S&P 500 Index underlying SPX options. The Commission further found that: (1) eliminating position and exercise limits for SPX options would better service the hedging needs of institutions; (2) financial requirements imposed by the Exchange and the Commission adequately address concerns that a Cboe member or customer may try to maintain an inordinately large unhedged SPX option position; (3) index derivatives are not subject to position and exercise limits in the over-the-counter market; and (4) the Exchange surveillance reporting safeguards would allow it to detect and deter trading abuses arising from the elimination of position and exercise limits for SPX options.²⁴ The Exchange believes these

²² See Securities Exchange Act Release No. 40969 (January 22, 1999), 64 FR 4911, 4913 (February 1, 1999) (SR-CBOE-98-23). As of January 8, 2025, the total market capitalization of the S&P 500 Index was \$49.788 trillion (which is nearly six times more than the market capitalization of the S&P 500 Index in 1999, when the Commission approved the elimination of position and exercise limits for SPX options). Additionally, the average daily trading volume for the underlying components of the S&P 500 Index for the six months preceding January 8, 2025 was approximately 2.7 billion shares (compared to 757.7 million in 1999). Given that the S&P 500 Equal Weight Index is comprised of the same constituents as the S&P 500 Index, the S&P 500 Equal Weight Index would have the same market capitalization, and the underlying components would have the same average trading volume, as the S&P 500 Index, which demonstrates the “substantial liquidity of the index components as a group.” Id.

²³ Id.

²⁴ Id.

same principles apply to supporting no position or exercise limits for SPEQF and SPEQX, particularly given the exact overlap of constituents for the S&P 500 Index and the S&P 500 Equal Weight Index.

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. The Exchange does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary in furtherance of the purposes of the Act, because it will apply to all market participants in the same manner. Additionally, the Exchange does not believe this proposed rule change will impose any burden on intermarket competition that is not necessary in furtherance of the purposes of the Act, because the Rules currently impose no position or exercise limits on many other broad-based index options, including SPX and XSP options, which overlie an index comprised of the same constituents. Additionally, the rules of other options exchange provide that other broad-based index options will not be subject to any position or exercise limits.²⁵

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 written comments on the proposed rule change.

²⁵ See, e.g., Nasdaq PHLX LLC Options 4A, Section 6(a)(i) (which provides there are no position limits for Full Value Nasdaq 100 Options, the Reduced Value Nasdaq 100 Options, the Nasdaq 100-Micro Index Options, and the Nasdaq-100 ESG Index Options).

IV. Discussion and Commission Findings

After careful review, the Commission finds that the Exchange's proposed rule change, as modified and superseded by Amendment No. 2 ("Amended Proposal"), is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.²⁶ In particular, the Commission finds that the Amended Proposal is consistent with Section 6(b)(5) of the Act,²⁷ which requires, among other things, that an exchange have rules designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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.

As stated above, for SPEQF and SPEQX options, the current position and exercise limit is 25,000 contracts for standardized positions and 200,000 contracts for FLEX positions. Under the Amended Proposal, these limits would be eliminated such that standardized and FLEX SPEQF and SPEQX options have no position or exercise limits. As the Commission stated in the OIP, the proposed elimination of position (and exercise) limits would permit market participants to significantly increase the size of unidirectional, unhedged positions in these products, and raises the potential for adverse market impacts and manipulative schemes.²⁸ The Commission also stated, in the OIP, that the initial filing did not address the potential risks of adverse market impact or manipulation that could be presented by the equal weighting of the underlying index components for SPEQF and SPEQX options, which is different from the

²⁶ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

²⁷ 15 U.S.C. 78f(b)(5).

²⁸ See OIP, supra note 8, 90 FR at 28847.

market capitalization weighting applied to the underlying index components for SPX and XSP options.²⁹

Position and exercise limits serve as a regulatory tool designed to deter manipulative schemes and adverse market impact surrounding the use of options by preventing the establishment of options positions that can be used or might create incentives to manipulate the underlying market so as to benefit the options positions, or that might contribute to disruptions in the underlying market.³⁰ In addition, such limits serve to reduce the possibility of disruption in the options market itself, especially in illiquid classes.³¹ The Commission traditionally has balanced two competing concerns when considering the appropriate level at which to set option position and exercise limits. The Commission has recognized that the limits must be sufficient to prevent investors from disrupting the market in the component securities comprising the indexes.³² At the same time, the Commission has determined that limits should not be established at levels that are so low as to discourage participation in the options market by institutions and other investors with substantial hedging needs or to prevent specialists and market-makers from adequately meeting their obligations to maintain a fair and orderly market.³³

The components of the S&P 500 Equal Weight Index that underlie SPEQF and SPEQX options are the same as the components of the S&P 500 Index that underlie SPX and XSP

²⁹ Id. The Commission also expressed concern in the OIP regarding the initial filing's proposed elimination of position and exercise limits for SPESG options, but the Amended Proposal removes that aspect of the initial filing, and thus it is not considered by the Commission in this order.

³⁰ See, e.g., Securities Exchange Act Release No. 40969 (January 22, 1999), 64 FR 4911 (February 1, 1999) (SR-CBOE-1998-23).

³¹ Id.

³² Id.

³³ Id.

options,³⁴ and there are no position or exercise limits for standardized or FLEX positions in SPX and XSP options.³⁵ Because the components of the S&P 500 Equal Weight Index are the same as the components of the S&P 500 Index, market participants may use options overlying both of these indexes as a hedging vehicle to meet their investment needs in connection with S&P 500-related products and cash positions. It is appropriate to provide generally consistent features between options on these indexes, and imposing lower position and exercise limits on SPEQF and SPEQX options than those that apply to SPX and XSP options may unnecessarily restrict investors' abilities to use these options to achieve their investment goals.

At the same time, the potential for manipulation or market disruption stemming from inordinately large, unhedged positions in SPEQF or SPEQX options is mitigated. The S&P 500 Equal Weight Index consists of 500 of the most highly capitalized U.S.-listed companies.³⁶ The large number of underlying securities contained in the S&P 500 Equal Weight Index as well as their enormous capitalization and deep, liquid markets significantly reduces concerns regarding the potential for market manipulation or disruption in the market underlying SPEQF and SPEQX options. This is the case, in the Commission's view, notwithstanding the equal weighting applied to the component securities of the S&P 500 Equal Weight Index, as even the least liquid constituents in the S&P 500 Equal Weight Index are still among the most liquid and largest

³⁴ See Section III, supra. The Exchange also states that, as of January 8, 2025, the total market capitalization of the S&P 500 Index was \$49.788 trillion, and the average daily trading volume for its underlying components for the six months preceding January 8, 2025, was 2.7 billion shares. According to the Exchange, this demonstrates that there is substantial liquidity in the components of the S&P 500 Equal Weight Index since its components are the same as the S&P 500 Index. See note 22 and accompanying text, supra.

³⁵ See Section III, supra; see also Exchange Rules 8.31 and 8.42. There also are no position or exercise limits for S&P 500 Dividend Index options, which are another type of broad-based index option that trades on the Exchange. Id. Moreover, other exchanges offer broad-based index options without position or exercise limits. See, e.g., note 25, supra.

³⁶ See note 22, supra.

capitalized stocks in the United States. In addition, as set forth above, various requirements already exist that should enable the Exchange to guard against the potential for manipulation or adverse market impact stemming from large, unhedged SPEQF or SPEQX option positions.³⁷ These include TPH reporting requirements for large option positions,³⁸ as well as financial requirements imposed by the Exchange and the Commission.³⁹

Further, the potential risks of trading SPEQF and SPEQX options without position and exercise limits are mitigated by the Exchange's and other SROs' surveillance mechanisms.⁴⁰ The Exchange represents that it has in place adequate surveillances to detect potential manipulation, as well as reviews to identify potential changes in composition of the S&P 500 Equal Weight Index and continued compliance with the Exchange's listing standards.⁴¹ According to the Exchange, these procedures utilize daily monitoring of market activity via automated surveillance techniques to identify unusual activity in both options and the underlying index, as applicable.⁴² The Commission expects that the Exchange will continue to monitor trading in SPEQF and SPEQX options for the purpose of discovering and sanctioning manipulative acts and practices, and will reassess whether to apply position and exercise limits to SPEQF and SPEQX, if and when appropriate, in light of its findings.

³⁷ See Section III, supra.

³⁸ See note 15, supra, and accompanying text. For example, pursuant to Exchange Rule 8.43(a), TPHs must file a report with the Exchange that identifies any customer who, acting alone or in concert with others, on the previous business day maintained aggregate long or short positions on the same side of the market of 200 or more option contracts of any single class of option contracts dealt in on the Exchange. The Exchange also may access additional option position information, such as regarding hedged positions, from TPHs. See note 17 and accompanying text, supra.

³⁹ See notes 20 and 21 and accompanying text, supra.

⁴⁰ See note 17 and accompanying text, supra.

⁴¹ See Section III, supra.

⁴² Id.

In light of the foregoing, the Commission believes that the Amended Proposal is consistent with Section 6(b)(5) of the Act.⁴³

V. Solicitation of Comments on Amendment No. 2 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning whether Amendment No. 2 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-CBOE-2025-020 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-CBOE-2025-020 on the subject line. 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 filing 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-CBOE-2025-

⁴³ 15 U.S.C. 78f(b)(5).

020 on the subject line, and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

VI. Accelerated Approval of Proposed Rule Change, as Modified and Superseded by Amendment No. 2

The Commission finds good cause to approve the Amended Proposal prior to the 30th day after the date of publication of Amendment No. 2 in the Federal Register. Amendment No. 2 narrows the scope of the initial proposed rule change by removing the initially proposed elimination of position and exercise limits for SPESG options. Amendment No. 2 also sets forth additional support and detail regarding the aspect of the initial proposed rule change that remains in the Amended Proposal, namely, the elimination of position and exercise limits for SPEQF and SPEQX options. In addition, the original filing has been subject to public comment and no comments have been received.

Thus, the Commission finds that Amendment No. 2 raises no novel regulatory issues that have not previously been subject to comment, and is reasonably designed, among other things, to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. Accordingly, pursuant to Section 19(b)(2) of the Act,⁴⁴ the Commission finds good cause to approve the Amended Proposal on an accelerated basis prior to the 30th day after publication of notice of the filing of Amendment No. 2 in the Federal Register.

⁴⁴ 15 U.S.C. 78s(b)(2).

VII. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁴⁵ that the proposed rule change (SR-CBOE-2025-020), as modified and superseded by Amendment No. 2, be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁶

Sherry R. Haywood,

Assistant Secretary.

⁴⁵ Id.

⁴⁶ 17 CFR 200.30-3(a)(12).