

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104585; File No. SR-CBOE-2026-002]

## **Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend its Fees Schedule**

January 13, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 2, 2026, Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### **I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to amend its Fees Schedule to update Access Badges fees, amend the GTH Executing Agent Subsidy Program, and eliminate certain LMM Incentive Programs. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Commission’s website (<https://www.sec.gov/rules/sro.shtml>), the Exchange’s website ([https://www.cboe.com/us/options/regulation/rule\\_filings/bzx/](https://www.cboe.com/us/options/regulation/rule_filings/bzx/)), and at the principal office of the Exchange.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

## **II. 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 IV 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 Exchange proposes to amend its Fees Schedule, effective January 2, 2026.

#### *Update to Access Badge Fees*

The Exchange proposes to amend the Access Badges table in the Fees Schedule. Currently, the Exchange assesses a \$70.00 per month fee for Clerk and other Trading Permit Holder ("TPH") employee badges and a \$130.00 per month fee for Floor Manager badges. The Exchange proposes to eliminate these two badge types and instead adopt a single Access Badge at \$100.00 per month, applicable to Clerks, other TPH employees, and Floor Managers.

Further, the Exchange proposes to eliminate the replacement Access Badge fee. Currently, the Exchange assesses a replacement fee of \$100 per badge for lost Access Badges. The Exchange no longer wishes to assess a fee for lost Access Badges and now proposes to eliminate this replacement Access Badge fee.

#### *Update to GTH Executing Agent Subsidy Program*

Next, the Exchange proposes to amend the Global Trading Hours ("GTH") Executing Agent Subsidy Program, set forth in the Fees Schedule. The GTH Executing

Agent Subsidy Program offers a monthly subsidy to TPHs with executing agent operations<sup>3</sup> during the GTH trading session. Pursuant to the current GTH Executing Agent Subsidy Program, a designated GTH executing agent receives the monthly subsidy amount that corresponds to the number of contracts executed on behalf of customers (including professional, public and broker-dealer customers) during GTH in a calendar month, as shown in the table below. Qualifying customer volume is limited to SPX and VIX options.

<b>GTH Monthly Customer SPX and VIX Options Volume</b>	<b>Subsidy</b>
0-19,999 contracts	\$0.00
20,000-99,999 contracts	\$15,000
100,000+ contracts	\$50,000

To become a designated GTH executing agent, a TPH must submit a form to the Exchange no later than 3:00 p.m. on the second to last business day of a calendar month to be designated an GTH executing agent under the program, and thus eligible for the subsidy, beginning the following calendar month. The current criteria states that a TPH must include on or with the form information demonstrating it maintains an GTH executing agent operation: (1) physically staffed throughout each entire GTH trading session and (2) willing to accept and execute orders on behalf of customers. The designation will be effective the first business day of the following calendar month, subject to the Exchange's confirmation the TPH's GTH executing agent operations satisfies these two conditions and will remain in effect until the Exchange receives an

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<sup>3</sup> An executing agent operation is one that accepts orders from customers (who may be public or broker-dealer customers) and submits the orders for execution (either directly to the Exchange or through another TPH).

email from the TPH terminating its designation or the Exchange determines the TPH's GTH executing agent operation no longer satisfies these two conditions.

The Exchange proposes to amend the GTH monthly customer volume thresholds and corresponding subsidy amounts, as shown in the table below.

<b>GTH Monthly Customer SPX and VIX Options Volume</b>	<b>Subsidy</b>
0-24,999 contracts	\$0.00
25,000-49,999 contracts	\$15,000
50,000-74,999 contracts	\$25,000
75,000-99,999 contracts	\$35,000
100,000+ contracts	\$50,000

The proposed changes introduce additional tiers in 25,000 contract increments between the current tiers to better incentivize GTH growth for firms at different GTH activity levels, and increases the minimum volume threshold required to qualify for subsidy payments. Such changes are designed to continue to encourage designated GTH executing agents to increase their order flow executed as agent in SPX and VIX options that trade during GTH, to meet the volume thresholds, as amended, and receive the corresponding subsidies. The Exchange notes that incentivizing TPHs to conduct executing agent operations willing to accept orders from all customers during GTH is intended to increase customer accessibility to the GTH trading session. The Exchange believes that increased order flow through designated GTH executing agents would allow the Exchange to grow participation during GTH, which may benefit all market participants, as additional liquidity to the Exchange during GTH would create more trading opportunities during GTH, and in turn attract market participants to submit additional order flow during GTH.

*LMM Program Updates*

Finally, the Exchange propose to eliminate the MSCI, MXACW, MSUSA, and MXWLD LMM Incentive Programs (the “LMM Incentive Programs”), set forth in the Fees Schedule. By way of background, each LMM Incentive Program provides a rebate to TPHs with LMM appointments to the respective incentive program that meet certain quoting standards in the applicable series in a month. Meeting or exceeding the quoting standards in each of the LMM Incentive Program products to receive the applicable rebate is optional for an LMM appointed to a program. Rather, an LMM appointed to an incentive program is eligible to receive the corresponding rebate if it satisfies the applicable quoting standards.

The Exchange is not required to offer these LMM Incentive Programs and no longer desires to do so, as of January 2, 2026. As such, the Exchange proposes deleting each of the LMM Incentive Program details set forth in the Fees Schedule.

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>4</sup>

Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>5</sup> 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

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<sup>4</sup> 15 U.S.C. 78f(b).

<sup>5</sup> 15 U.S.C. 78f(b)(5).

securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>6</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>7</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its TPHs and other persons using its facilities.

The Exchange believes the proposed rule change to consolidate the Clerk and other TPH employee badge and Floor Manager badge types into a single Access Badge is reasonable, as it simplifies the Exchange's fee structure and streamlines the badge administration process. Further, the proposed \$100.00 monthly fee, which is the midpoint between the current \$70.00 and \$130.00 monthly fee for Clerk and other TPH employee badges and Floor Manager badges, respectively, reflects a balanced approach that moderately increases costs for some badge holders while decreasing costs for others. The Exchange believes this pricing is reasonable given the costs associated with maintaining floor operations. The fee is designed to recover the Exchange's costs of providing and administering physical access to the trading floor. The Exchange believes the proposed rule change is equitable and not unfairly discriminatory, as the proposed Access Badge fee applies uniformly to all TPHs. Further, the proposed badge fee changes align the Exchange's fee structure with at least one other options exchange, which assesses a

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<sup>6</sup> Id.

<sup>7</sup> 15 U.S.C. 78f(b)(4).

\$100.00 per month badge fee for other registered on-floor persons employed by or associated with a Floor Market Maker or Floor Broker.<sup>8</sup>

The Exchange believes eliminating the replacement Access Badge fee is reasonable because it reduces administrative costs for both the Exchange and TPHs while simplifying the badge fee structure. While the Exchange originally adopted the replacement fee to incentivize badge retention, the Exchange has determined that the administrative burden of assessing replacement fees is no longer justified by the fee. The Exchange believes eliminating the replacement Access Badge fee is equitable and not unfairly discriminatory because it applies uniformly to all TPHs, in that no TPHs will be required to pay a replacement Access Badge fee and all TPHs will benefit from the elimination of a potential cost associated with lost badges.

Additionally, the Exchange believes that the proposed amendments to the GTH Executing Agent Subsidy Program are reasonable. The GTH Executing Agent Subsidy Program is overall designed to encourage designated GTH executing agents to increase their customer order flow in SPX and VIX options traded during GTH. As noted above, such changes are designed to continue to encourage designated GTH executing agents to increase their order flow executed as agent in SPX and VIX options that trade during GTH, to meet the volume thresholds, as amended, and receive the corresponding subsidies. The Exchange notes that incentivizing TPHs to conduct executing agent operations willing to accept orders from all customers during GTH is intended to increase customer accessibility to the GTH trading session. The Exchange believes that increased order flow through designated GTH executing agents would allow the Exchange to grow

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<sup>8</sup> See BOX Exchange Fee Schedule, Section I (D)(c).

participation during GTH, which may benefit all market participants, as additional liquidity to the Exchange during GTH would create more trading opportunities during GTH, and in turn attract market participants to submit additional order flow during GTH.

Further, the Exchange believes such changes are reasonable, as the volume thresholds, as amended, remain commensurate with the corresponding subsidy amounts. The proposed changes effectively introduce additional tiers in 25,000 contract increments between the current tiers to better incentivize GTH growth for firms at different GTH activity levels, and increases the minimum volume threshold required to qualify for subsidy payments. The amended tiers, as proposed, present the opportunity for designated GTH executing agents submitting 50,000 to 99,999 customer contracts in SPX or VIX options to receive slightly larger subsidies than that which are currently offered by the program. While the amended tiers, as proposed, increase the minimum volume threshold required to qualify for subsidy payments (from 20,000 to 25,000 customer contracts in SPX or VIX options), the Exchange believes the proposed change is reasonable, as the proposed change is designed to encourage designated GTH executing agents to increase their order flow executed as agent in SPX and VIX options that trade during GTH. Further, the proposed changes reallocate program resources to provide enhanced subsidies to designated GTH executing agents submitting 50,000 to 99,999 customer contracts in SPX or VIX options.

The Exchange also believes that the proposed rule changes related to the GTH Executing Agent Subsidy Program are equitable and not unfairly discriminatory. In particular, the Exchange believes that amending the volume thresholds and corresponding subsidies for the GTH Executing Agent Subsidy Program is equitable and not unfairly



discriminatory because all TPHs that conduct this type of operation during GTH will continue to have the opportunity to become a designated GTH executing agent and thus eligible for the monthly subsidy commensurate with applicable customer volumes. As noted above, the proposed changes reflect the growth of the GTH trading session and are designed to continue to encourage designated GTH executing agents to increase their order flow executed as agent in SPX and VIX symbols that trade during GTH, to meet the volume thresholds, as amended, and receive corresponding subsidies. TPHs that conduct executing agent operations willing to accept orders from all customers take on additional risks and potential costs (including those related to staffing and clearing) associated with this type of business. Such TPHs also provide benefits to investors during GTH, including increased customer accessibility to the GTH trading session and increased order flow. While the Exchange has no way of predicting with certainty how the changes will impact TPH activity, the Exchange anticipates that approximately two TPHs may be able to achieve the 25,000 to 49,000 contracts volume threshold, approximately one TPH may be able to achieve the 50,00 to 74,999 contracts volume threshold, no TPHs would currently meet the 75,000 to 99,999 contracts threshold, and approximately one TPH may be able to achieve the 100,000+ contracts threshold. However, all TPHs that conduct this type of operation during GTH will continue to have the opportunity to become a designated GTH executing agent and increase their order applicable order flow to meet the volume thresholds, as amended, and receive corresponding subsidies.

Finally, the Exchange believes the proposed change to eliminate the LMM Incentive Programs is reasonable, equitable and not unfairly discriminatory. As noted

above, the Exchange is not required to offer these LMM Incentive Programs and no longer desires to do so. The proposed change is reasonable, as the Exchange wishes to reallocate resources to its other pricing programs, as well as to developing other pricing programs that may benefit market participants.

The Exchange believes the proposed change is equitable and is not unfairly discriminatory, as the proposed change applies to all Market-Makers equally. While no Market-Maker will be or continue to be eligible for the eliminated LMM Incentive Programs, all Market-Makers remain eligible to participate in the Exchange's other pricing programs, including other LMM Incentive Programs offered by the Exchange.

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 that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As noted above, the proposed Access Badge fee applies uniformly to all TPHs. Similarly, the Exchange the proposed change to eliminate the replacement Access Badge fee applies uniformly to all TPHs, in that no TPHs will be required to pay a replacement Access Badge fee and all TPHs will benefit from the elimination of a potential cost associated with lost badges.

Further, in regard to the proposed changes to the GTH Executing Agent Subsidy Program, all TPHs that conduct executing agent operations willing to accept orders from all customers will continue to have an opportunity to be eligible for the GTH Executing Agent Subsidy program. Also, such TPHs that conduct this type of operation take on

additional risks and potential costs (including those related to staffing and clearing) associated with this type of business, and may provide benefits to investors during GTH, including increased customer accessibility to, and liquidity and trading opportunities during, the GTH trading session. The proposed changes are designed to continue to encourage designated GTH executing agents to increase their order flow executed as agent in SPX and VIX symbols that trade during GTH, to meet the proposed amended volume threshold and receive the proposed corresponding subsidies.

Finally, the proposed change to eliminate the LMM Incentive Programs applies to all Market-Makers equally. While no Market-Maker will be or continue to be eligible for the eliminated LMM Incentive Programs, all Market-Makers remain eligible to participate in the Exchange's other pricing programs, including other LMM Incentive Programs offered by the Exchange.

The Exchange also does not believe that the proposed changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the Act. As noted above, the proposed badge fee changes align the Exchange's fee structure with at least one other options exchange, which assesses a \$100.00 per month badge fee for other registered on-floor persons employed by or associated with a Floor Market Maker or Floor Broker<sup>9</sup> and which does not charge a replacement badge fee.<sup>10</sup>

Further, in regard to the proposed changes to the GTH Executing Agent Subsidy Program and the LMM Incentive Programs, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition that is not

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<sup>9</sup> See BOX Exchange Fee Schedule, Section I (D)(c).

<sup>10</sup> See BOX Exchange Fee Schedule, Section I (Trading Participant Fees).

necessary or appropriate in furtherance of the purposes of the Act, as the proposed changes apply only to fees and programs applicable to transactions in products that are currently exclusively listed on the Exchange.

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 comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>11</sup> and paragraph (f) of Rule 19b-4<sup>12</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

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<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4(f).

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](mailto:rule-comments@sec.gov). Please include file number SR-CBOE-2026-002 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-2026-002. 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-2026-002 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

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<sup>13</sup> 17 CFR 200.30-3(a)(12).