

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105175; File No. SR-CBOE-2026-020]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Order Approving a Proposed Rule Change, as Modified by Amendment No. 1, to Exchange Rules 4.3 (Criteria for Underlying Securities) and 4.4 (Withdrawal of Approval of Underlying Securities) to Establish Listing Criteria and Withdrawal Standards for Options on Commodity-Based Trusts Holding Multiple Crypto Assets

April 8, 2026.

I. Introduction

On February 23, 2026, Cboe Exchange, Inc. (“Cboe” or “the Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to adopt listing criteria for options on Commodity-Based Trusts that hold multiple crypto assets. The proposed rule change was published for comment in the Federal Register on March 4, 2026.³ The Commission received no comments regarding the proposed rule change. On April 1, 2026, the Exchange filed Amendment No. 1 to the proposal, which amends and replaces the original proposal in its entirety (“Amendment No. 1”).⁴ This order approves the proposed rule change, as modified by Amendment No. 1.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 104904 (Feb. 27, 2026), 91 FR 10640.

⁴ Amendment No. 1 corrects an erroneous proposed change to a cross-reference in Exchange Rule 4.4, Interpretation and Policy .06, but makes no substantive changes to the proposal. Because Amendment No. 1 is technical in nature, it is not subject to notice and comment.

II. Description of the Proposed Rule Change, as Modified by Amendment No. 1

Currently, Exchange Rule 4.3, Interpretation and Policy .06(a)(6) allows the Exchange to list options on shares that represent interests in a Commodity-Based Trust that meets the generic criteria of the U.S. securities exchange that is the primary equities listing market for the Commodity-Based Trust, except that the Commodity-Based Trust holds a single crypto asset, as defined in Exchange Rule 4.3, Interpretation and Policy .06(a)(6), and provided that (A) the global supply of the crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (B) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the Intermarket Surveillance Group (“ISG”).⁵ The Exchange proposes to amend Exchange Rule 4.3, Interpretation and Policy .06(a)(6) to allow the Exchange to list and trade options on a Commodity-Based Trust that holds multiple crypto assets. The proposal would allow the Exchange to list and trade these options without additional approval from the Commission.⁶ Under the proposal, each crypto asset that the Commodity-Based Trust holds must meet the criteria in proposed Exchange Rule 4.3, Interpretation and Policy ,06(a)(6).⁷ Accordingly, each of the Commodity-Based Trust’s crypto assets must: (A) have an average daily market value of at least \$700 million over the last 12 months; and (B) underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance

⁵ See Exchange Rule 4.3, Commentary .06(a)(6). Exchange Rule 4.3, Commentary .06(a)(6) defines the term “crypto asset” to mean “an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as ‘tokens,’ ‘digital assets,’ ‘virtual currencies,’ and ‘coins’ and that relies on cryptographic protocols.”

⁶ See Amendment No. 1 at 7.

⁷ See proposed Exchange Rule 4.3, Interpretation and Policy .06(a)(6).

sharing agreement, whether directly or through common membership in ISG.⁸ The proposed Commodity-Based Trust share options also must satisfy the Exchange’s initial and continued listing standards applicable to all options on Units.⁹ Under the Exchange’s rules, shares of securities underlying listed options must be NMS stocks.¹⁰ In addition, Exchange Rule 4.3, Interpretation and Policy .06(b) requires the shares of a Unit to (1) meet the criteria and

⁸ See proposed Exchange Rule 4.3, Interpretation and Policy .06(a)(6). The Exchange states that the market value for each crypto asset that a Commodity-Based Trust holds will be calculated by taking the total global supply of the crypto asset multiplied by the token price of that asset. The Exchange states that the total supply of a crypto asset includes all crypto assets currently issued and does not include unissued crypto assets. See Amendment No. 1 at 5.

⁹ See Amendment No. 1 at 9. The Exchange’s rules define “Unit” and “ETF” (“Exchange-Traded Fund”) to mean a share or other security traded on a national securities exchange and defined as an NMS stock as set forth in Rule 4.3. See Exchange Rule 1.1. In its proposal, the Exchange refers to Commodity-Based Trusts as ETFs or Units. See Amendment No. 1.

¹⁰ See Exchange Rule 4.3(a)(1).

guidelines in Exchange Rule 4.3 and Interpretation and Policy .01 thereunder,¹¹ or (2) meet the criteria in Exchange Rule 4.3, Interpretation and Policy .06(b)(2).¹²

The continued listing criteria in proposed Exchange Rule 4.4, Interpretation and Policy .06(c) will allow the Exchange to suspend opening transactions in options on Commodity-Based Trust shares if any crypto asset held by the Commodity-Based Trust (A) no longer has an average daily market value of at least \$700 million over the last 12 months, as determined by the Exchange on a monthly basis; or (B) no longer underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether

¹¹ See Amendment No. 1 at 6. Exchange Rule 4.3(a) states that securities underlying options that are approved for listing and trading on the Exchange must meet the following criteria: (1) the security must be duly registered and be an NMS stock; and (2) the security shall be characterized by a substantial number of outstanding shares which are widely held and actively traded. Exchange Rule 4.3, Interpretation and Policy .01 states, in part, that, absent exceptional circumstances, the following guidelines with respect to issuers shall be met: (a) Guidelines applicable to the issuer of the security are: (1) there are a minimum of 7,000,000 shares of the underlying security which are owned by persons other than those required to report their stock holdings under Section 16(a) of the Exchange Act; (2) there are a minimum of 2,000 holders of the underlying security; (3) the issuer is in compliance with any applicable requirements of the Exchange Act. (b) Guidelines applicable to the market for the security are: (1) trading volume (in all markets in which the underlying security is traded) has been at least 2,400,000 shares in the preceding twelve months; (2)) if the underlying security is a “covered security” as defined under Section 18(b)(1)(A) of the Securities Act of 1933: (i) the market price per share of the underlying security has been at least \$3.00 for the previous three consecutive business days preceding the date on which the Exchange submits a certificate to the Options Clearing Corporation for listing and trading. For purposes of this Interpretation .01(b)(2)(A), the market price of such underlying security is measured by the closing price reported in the primary market in which the underlying security is traded; however, (ii) the requirements set forth in clause (i) will be waived during the three days following an underlying security’s initial public offering day if the underlying security has a market capitalization of at least \$3 billion based on upon the offering price of its initial public offering, in which case options on the underlying security may be listed and traded starting on or after the second business day following the initial public offering day; (B) If the underlying security is not a “covered security”, the market price per share of the underlying security has been at least \$7.50 for the majority of business days during the three calendar months preceding the date of selection, as measured by the lowest closing price reported in any market in which the underlying security traded on each of the subject days.

¹² Exchange Rule 4.3, Interpretation and Policy .06(b)(2) states that the Units must be available for creation or redemption each business day from or through the issuing trust, investment company, commodity pools or other issuer in cash or in kind at a price related to net asset value, and the issuing trust, investment company, commodity pools or other issuer is obligated to issue Units in a specified aggregate number even if some or all of the investment assets and/or cash required to be deposited have not been received by the, the issuing trust, investment company, commodity pools or other issuer, subject to the condition that the person obligated to deposit the investment assets has undertaken to deliver the investment assets and/or cash as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer of Units which underlie the option as described in the Units’ prospectus.

directly or through common membership in ISG. The Exchange states that requiring the average daily market value criterion to be met on a monthly basis is reasonable given that the Exchange believes that it is unlikely that a crypto asset with an average daily market value of at least \$700 million over the previous twelve months would fail to meet that standard as a result of trading over a relatively short period of time.¹³

Options on Commodity-Based Trust shares also will be subject to the continued listing standards in the Exchange's rules that are applicable to options on all Units.¹⁴ Under Exchange Rule 4.4, Interpretation and Policy .06, shares of a Unit approved for options trading would not meet the requirements for continued approval if the Units cease to be an NMS stock or the Units are halted from trading on their primary market. Further, Exchange Rule 4.4, Interpretation and Policy .06(d) (renumbered as Exchange Rule 4.4, Interpretation and Policy .06(e)) would allow the Exchange to consider suspending opening transactions in options on Commodity-Based Trust shares if the Exchange believes that further dealing in the options on the Exchange is inadvisable.¹⁵

The Exchange states that the proposed options on Commodity-Based Trust shares would trade in the same manner as other Unit options and will be subject to the Exchange rules that currently apply to the listing and trading of Unit options, including permissible expirations, strike prices and minimum increments, applicable position and exercise limits, and margin

¹³ See Amendment No. 1 at 10. For example, the Exchange states that if a crypto asset has a market capitalization of \$900 million and traded at that market capitalization for 15 days in a 20-day trading month, the crypto asset could lose a substantial amount of its value (up to 88%) and still meet the criteria. See id.

¹⁴ See id.

¹⁵ See id. at 10-11.

requirements.¹⁶ In addition, the Exchange represents that it has the necessary systems capacity to support the listing and trading of options on shares of qualifying Commodity-Based Trusts.¹⁷

The Exchange states that it believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading the proposed options on Commodity-Based Trust shares, particularly in light of the requirement that each crypto asset held by a Commodity-Based Trust underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.¹⁸ In addition, the Exchange states that it lists and trades options on Units that would qualify for listing as an option on a Commodity-Based Trust under proposed Exchange Rule 4.3, Interpretation and Policy .06(a)(6), and it has not identified any issues with the listing and trading of options on those Units.¹⁹

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.²⁰ Specifically, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5) of the Act,²¹ which requires, among other things, that the rules of a national securities

¹⁶ See id. at 11.

¹⁷ See id.

¹⁸ See id.

¹⁹ See id.

²⁰ 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).

²¹ 15 U.S.C. 78f(b)(5).

exchange be designed to prevent fraudulent and manipulative acts and practices, to remove impediments to and perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest.

The Exchange proposes to amend Exchange Rule 4.3, Interpretation and Policy .06(a)(6) to permit the Exchange to list options on shares of a Commodity-Based Trust that holds multiple crypto assets, provided that the Commodity-Based Trust meets certain requirements, as described above. The proposal will allow the Exchange to list options on shares of these Commodity-Based Trusts without further approval from the Commission, thereby permitting the Exchange to list these options soon after a U.S. securities exchange that is the primary listing market for the Commodity-Based Trust lists the underlying Commodity-Based Trust shares. Permitting the listing and trading of these options on the Exchange will provide investors with an additional vehicle for gaining and hedging exposure to the underlying Commodity-Based Trust shares. The Commission recently approved proposals by Nasdaq ISE, LLC, NYSE American LLC, and NYSE Arca, Inc., to establish listing standards for options on shares of Commodity-Based Trusts that hold multiple crypto assets.²²

Options on shares of Commodity-Based Trusts that hold multiple crypto assets will be subject to the same initial and continued listing requirements for options on Commodity-Based Trusts that hold a single crypto asset except that each crypto asset that a Commodity-Based Trust holds must (A) have an average daily market value of at least \$700 million over the last 12 months; and (B) underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common

²² See Securities Exchange Act Release Nos. 105072 (Mar. 24, 2026), 91 FR 14894 (Mar. 27, 2026); 105134 (Apr. 1, 2026); and 105133 (Apr. 1, 2026).

membership in ISG. The requirements in proposed Exchange Rule 4.3, Interpretation and Policy .06(a)(6) are designed to help ensure that each of the crypto assets that a Commodity-Based Trust holds is sufficiently liquid that the creation and redemption process for shares of the Commodity-Based Trust will operate without disruption and that Commodity-Based Trust shares will be available to options market makers and other market participants that may use Commodity-Based Trust shares to hedge their positions. The Exchange will consider suspending opening transactions in Commodity-Based Trust share options if the requirements in proposed Exchange 4.3, Interpretation and Policy .06(a) are no longer satisfied.²³

The Exchange states that it believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading the proposed options on Commodity-Based Trust shares.²⁴ As discussed above, each crypto asset held by a Commodity-Based Trust must underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.²⁵ This requirement, in addition to the Exchange's existing surveillance procedures, should assist the Exchange in investigating suspected manipulations or other trading abuses in Commodity-Based Trust share options.

²³ See proposed Exchange Rule 4.4, Interpretation and Policy .06(c).

²⁴ See Amendment No. 1 at 11.

²⁵ See proposed Exchange Rule 4.3, Interpretation and Policy .06(a)(6).

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,²⁶ that the proposed rule change (SR-CBOE-2026-020), as modified by Amendment No. 1, is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

Sherry R. Haywood,

Assistant Secretary.

²⁶ 15 U.S.C. 78s(b)(2).

²⁷ 17 CFR 200.30-3(a)(12).