

among market participants. The proposed rule change will have no impact on the dissemination of index values of the B500 Index once listed on the Exchange, but merely reflects the rebranded name of the B500 Index on which the Exchange is authorized to list options. The Exchange believes this proposal perfects the mechanism of a free and open market a national market system, and protects investors and the public interest because, with the proposed rebrand from the “Bloomberg US Large Cap Price Return Index” to “Bloomberg 500 Index,” there will be no change to the initial or maintenance listing criteria, expiration months, settlement or exercise style of options on the B500 Index. The Exchange notes that this proposal is simply to clarify the rebranded name of the B500 Index. Values for the B500 Index will continue to be disseminated and available to market participants in the same manner and in the same intervals.¹⁵ The Exchange notes that it has not listed options on the B500 Index at this time for business reasons.

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.

Intramarket Competition

The Exchange believes the proposed rule change does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with updating the name of the B500 Index. The proposed rule change has no impact on the dissemination of index values for the B500 Index. Further, the Exchange has not yet listed options for trading on the B500 Index.

Intermarket Competition

The Exchange believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The

proposed rule change is not intended to address competitive issues but rather is concerned solely with updating the name of the B500 Index. The proposed rule change has no impact on the dissemination of index values for the B500 Index. Further, the Exchange has not yet listed options for trading on the B500 Index.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁶ and Rule 19b-4(f)(6)¹⁷ 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.

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:

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-MIAX-2025-34 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-MIAX-2025-34. 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-MIAX-2025-34 and should be submitted on or before August 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2025-15069 Filed 8-7-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103644; File No. SR-MIAX-2025-37]

Self-Regulatory Organizations; Miami International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits To Allow the Exchange To Increase the Position and Exercise Limits for iShares Bitcoin Trust ETF

August 5, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 5, 2025, Miami International Securities Exchange, LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I and II 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.

¹⁸ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹⁵ On April 16, 2025, Miami International Holdings, Inc., the parent company of the Exchange, announced that B500 Index values began to be disseminated over the Options Price Reporting Authority data feed and the MIAX Product Feed. See Press Release, Miami International Holdings Begins Publishing Bloomberg 500 Index on OPRA and MIAX Data Feeds, dated April 16, 2025, available at https://www.miaxglobal.com/sites/default/files/alert-files/MIAX_Press_Release_B500_Dissemination_4.16.25_Final.pdf.

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6).

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits to increase the position and exercise limits for iShares Bitcoin Trust ETF ("IBIT").

The text of the proposed rule change is available on the Exchange's website at <https://www.miaxglobal.com/markets/us-options/miax-options/rule-filings>, and at MIAX's principal office.

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 Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits,³ to permit IBIT to increase its position and exercise limits for options on IBIT from 25,000 contracts by removing IBIT from Interpretation and Policy .01 to Exchange Rule 307 and Interpretation and Policy .01 to Exchange Rule 309. This is a competitive filing based on a similar proposal submitted by Nasdaq ISE, LLC ("ISE") and approved by the Securities and Exchange Commission ("Commission").⁴

IBIT is an Exchange-Traded Funds ("ETF") that holds bitcoin and is listed on the Nasdaq Stock Market LLC.⁵ In

³ The Exchange notes that all the rules of Chapter III of MIAX, including Rules 307 and 309, are incorporated by reference into the rulebooks of MIAX Emerald, LLC, MIAX Pearl, LLC and MIAX Sapphire, LLC.

⁴ See Securities Exchange Act Release No. 103564 (July 29, 2025) (SR-ISE-2024-62) (Self-Regulatory Organizations; Nasdaq ISE, LLC; Order Approving a Proposed Rule Change, as Modified by Amendment Nos. 2 and 3, Regarding Position and Exercise Limits for Options on the iShares Bitcoin Trust ETF) ("ISE Approval Order").

⁵ Nasdaq received approval to list and trade Bitcoin-Based Commodity-Based Trust Shares in IBIT pursuant to Rule 5711(d) of Nasdaq. See Securities Exchange Act Release No. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (SR-

November 2024, the Exchange received approval to list options on IBIT.⁶ The position and exercise limits for IBIT options are 25,000 contracts as stated in Interpretation and Policy .01 to Exchange Rule 307, Position Limits, and Interpretation and Policy .01 to Exchange Rule 309, Exercise Limits the lowest limit available in options.⁷

Per the Commission "rules regarding position and exercise limits are intended to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options positions."⁸ For this reason, the Commission requires that "position and exercise limits must be sufficient to prevent investors from disrupting the market for the underlying security by acquiring and exercising a number of options contracts disproportionate to the deliverable supply and average trading volume of the underlying security."⁹ Based on its review of the data and analysis provided by the Exchange, the Commission concluded that the 25,000 contract position limit for IBIT options satisfied these objectives.¹⁰

While the Exchange proposed an aggregated 25,000 contract position limit for IBIT options in its IBIT Approval Order, it nonetheless believed that evidence existed to support a much higher position limit. Specifically, the Commission has considered and reviewed the Exchange's analysis and ISE's analysis as it was presented by the Exchange in the IBIT Approval Order that the exercisable risk associated with a position limit of 25,000 contracts represented only 0.4% of the outstanding shares of IBIT.¹¹ The Commission also has considered and

NASDAQ-2023-016) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, To List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units). IBIT started trading on January 11, 2024.

⁶ See Securities Exchange Act Release No. 101698 (November 21, 2024), 89 FR 93802 (November 27, 2024) (SR-MIAX-2024-40) (Self-Regulatory Organizations; MIAX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Exchange Rule 402, Criteria for Underlying Securities, Exchange Rule 307, Position Limits, and Exchange Rule 309, Exercise Limits To Allow the Exchange To List and Trade Options on the iShares Bitcoin Trust (the "Trust")) ("IBIT Approval Order"). The Exchange began trading IBIT options on November 20, 2024.

⁷ Options on Fidelity Wise Origin Bitcoin Fund, ARK 21Shares Bitcoin ETF, Grayscale Bitcoin Trust (BTC), Grayscale Bitcoin Mini Trust BTC, and Bitwise Bitcoin ETF are also subject to a 25,000 contract position and exercise limit.

⁸ See *supra* note 6, IBIT Approval Order, 89 FR 78946.

⁹ See *id.*

¹⁰ See *id.*

¹¹ See *id.* Data represents figures from August 12, 2024.

reviewed the Exchange's statement its IBIT Approval Order that with a position limit of 25,000 contracts on the same side of the market and 611,040,000 shares of IBIT outstanding, 244 market participants would have to simultaneously exercise their positions to place IBIT under stress.¹² Based on the Commission's review of this information and analysis, the Commission concluded that the proposed position and exercise limits of 25,000 contracts were designed to prevent investors from disrupting the market for the underlying security by acquiring and exercising a number of options contracts disproportionate to the deliverable supply and average trading volume of the underlying security, and to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options position.¹³

IBIT currently qualifies for a 250,000 contract position limit pursuant to the criteria in Exchange Rule 307(d)(5), which requires that, for the most recent six-month period, trading volume for the underlying security be at least 100 million shares.¹⁴ As of November 25, 2024, the market capitalization for IBIT was \$46,783,480,800¹⁵ with an average daily volume ("ADV"), for the preceding three months prior to November 25, 2024, of 39,421,877 shares. IBIT is well above the requisite minimum of 100 million shares necessary to qualify for the 250,000 contract position limit. Also, as of November 25, 2024, there are 19,787,762 bitcoins in circulation.¹⁶ According to calculations done by ISE as presented in Amendment No. 2,¹⁷ at

¹² See *id.* Data represents figures from August 12, 2024.

¹³ See *id.*

¹⁴ Exchange Rule 307, Position Limits, provides at subparagraph (d)(5) that to be eligible for the 250,000 contract limit, either the most recent six (6) month trading volume of the underlying security must have totaled at least 100 million shares or the most recent six (6) month trading volume of the underlying security must have totaled at least seventy-five (75) million shares and the underlying security must have at least 300 million shares currently outstanding.

¹⁵ The market capitalization was determined by multiplying a settlement price of (\$54.02) by the number of shares outstanding (866,040,000). This figure was acquired as of November 25, 2024. See <https://www.ishares.com/us/products/333011/ishares-bitcoin-trust-etf>.

¹⁶ See <https://www.coingecko.com/en/coins/bitcoin>.

¹⁷ See Amendment No. 2 to Proposed Rule Change to modify the position and exercise limits for IBIT options to the applicable position and exercise limits as determined by Options 9, Sections 13 and 15 (SR-ISE-2024-62), filed Mar. 26, 2025, available at <https://www.sec.gov/>

a price of \$94,830,¹⁸ that equates to a market capitalization of greater than \$1.876 trillion US. If a position limit of 250,000 contracts were considered, the exercisable risk would represent 2.89%¹⁹ of the outstanding shares outstanding of IBIT. Given IBIT's liquidity, the current 25,000 position limit is extremely conservative.

Position limits, and exercise limits, are designed to limit the number of options contracts traded on the exchange in an underlying security that an investor, acting alone or in concert with others directly or indirectly, may control. These limits, which are described in Exchange Rules 307 and 309, are intended to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. Position and exercise limits must balance concerns regarding mitigating potential manipulation and the cost of inhibiting potential hedging activity that could be used for legitimate economic purposes.

To achieve this balance, the Exchange proposes to remove IBIT from the table of position limits in Interpretation and Policy .01 to Exchange Rule 307 as well

as the table of exercise limits in Interpretation and Policy .01 to Exchange Rule 309 so that options on IBIT may trade similar to all other options for which the Exchange has not filed to otherwise increase the position limits to levels outside of the limits of Exchange Rule 307(d). As a result of removing IBIT from the aforementioned tables, it would increase the position and exercise limits for options on IBIT from 25,000 to 250,000 contracts based on the parameters of Exchange Rule 307(d). By removing IBIT from the aforementioned tables, IBIT would be subject to subsequent six (6) month reviews to determine future position and exercise limits similar to all other options subject to Exchange Rules 307 and 309.

In addition to IBIT's Exchange Rule 307(d) eligibility for 250,000 contracts, the Exchange performed additional analysis relying on data presented in Amendment No. 2, with respect to IBIT. First, in Amendment No. 2, ISE considered IBIT's market capitalization and ADV, and prospective position limit in relation to other securities. In measuring IBIT against other securities, ISE aggregated market capitalization and volume data for securities that have

defined position limits utilizing data from The Options Clearing Corporations ("OCC").²⁰ This pool of data took into consideration 3,897 options on single stock securities, excluding broad based ETFs.²¹ Next, ISE aggregated the data based on market capitalization and ADV and grouped option symbols by position limit utilizing statistical thresholds for ADV, based on ninety days, and market capitalization that were one standard deviation above the mean for each position limit category (*i.e.* 25,000, 50,000 to 65,000, 75,000, 100,000 to less than 250,000, and 250,000).²² Exchange Rule 307(d) sets out position limits for various contracts. For example, on ISE like on the Exchange, a 25,000 contract limit applies to those options having an underlying security that does not meet the requirements for a higher options contract limit. ISE performed an exercise to demonstrate IBIT's position limit relative to other options symbols in terms of market capitalization and ADV. For reference the market capitalization for IBIT was \$46,783,480,800²³ with an ADV, for the preceding three months prior to November 25, 2024, of 39,421,877 shares.²⁴

Market cap statistics	25k	50k	75k	100k–<250k	250k–<500k	500k–1mm	>1mm
# of observations	562	473	651	240	1934	27	10
average	1,038,795,162	2,957,127,045	4,466,049,699	5,390,836,360	26,286,624,063	67,390,777,100	717,540,906,097
median	360,130,143	889,627,570	1,445,831,231	1,643,123,279	3,535,963,213	27,063,940,966	90,047,209,478
min	2,204,436	4,211,156	3,830,532	5,090,230	1,616,094	2,762,394,749	11,786,645,969
max	36,120,249,097	70,846,805,916	174,820,296,591	106,971,594,180	3,573,884,443,220	733,972,714,698	3,358,647,600,000
IBIT % rank	100.00%	98.94%	98.77%	98.33%	88.57%	59.26%	20.00%

90-Day ADV statistics	25k	50k	75k	100k–<250k	250k–<500k	500k–1mm	>1mm
# of observations	562	473	651	240	1934	27	10
average	76,586	213,419	425,542	623,888	3,510,784	5,930,607	44,610,385
median	67,231	206,402	409,177	625,882	1,620,931	4,724,248	18,017,607
min	4,791	10,084	18,191	105,713	16,276	1,207,242	1,771,544
max	244,499	564,451	989,341	1,339,553	88,351,060	22,397,311	271,230,790
IBIT % rank	100.00%	100.00%	100.00%	100.00%	99.43%	100.00%	80.00%

Based on the above table, as presented in Amendment No. 2,²⁵ if IBIT were compared to the 1,934 stocks that have position limits of 250,000 contracts to less than 500,000 contracts it would

rank in the 88th percentile for market capitalization and the 99th percentile for ADV.

ISE, in Amendment No. 2, also analyzed the position limits for IBIT by

regressing the market capitalization figures and 90-day ADV of all non-ETF equities, against their respective position limit figures.²⁶ From this regression, ISE was able to determine

comments/srise-2024-62/srise202462-593575-1721782.pdf. ("Amendment No. 2").

¹⁸This is the approximate price of bitcoin from 4:00 p.m. ET on November 25, 2024.

¹⁹This percentage is arrived at with this equation: (250,000 contract limit * 100 shares per option / 866,040,000 shares outstanding).

²⁰The computations are based on OCC data from November 25, 2024. Data displaying zero values in market capitalization or ADV were removed.

²¹ IBIT has one asset and therefore is not comparable to a broad based ETF where there are typically multiple components.

²² Exchange Rule 307 sets out position limits for various contracts. For example, a 25,000 contract limit applies to those options having an underlying security that does not meet the requirements for a higher options contract limit. The Exchange notes that position limits may also be higher due to corporate actions in the underlying equities, such as a stock split. See <https://www.theocc.com/market-data/market-data-reports/series-and->

[tradingdata/position-limits](https://www.theocc.com/market-data/market-data-reports/series-and-tradingdata/position-limits). As a result, the Exchange's pool of data considered higher position limits than 250,000 contracts, where applicable.

²³ The market capitalization was determined by multiplying a settlement price of (\$54.02) by the number of shares outstanding (866,040,000). This figure was acquired as of November 25, 2024. See <https://www.ishares.com/us/products/333011/ishares-bitcoin-trust-etf>.

²⁴ See Amendment No. 2 at 8–9.

²⁵ See Amendment No. 2 at 9.

²⁶ *Id.*

the implied coefficients to create a formulaic method for determining an appropriate position limit.²⁷ In this case, the modeled position limit is 565,796 contracts.²⁸ The results of ISE’s study are below.

REGRESSION STATISTICS

Multiple R	0.496800597
R Square	0.246810833
Adjusted R Square	0.246361643
Standard Error	202227.4271

REGRESSION STATISTICS—Continued

Observations	3905
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ANOVA

	df	SS	MS	F
Regression	2	5.2304E+13	2.6152E+13	639.482566
Residual	3903	1.5962E+14	4.0896E+10	
Total	3905	2.1192E+14		
Intercept	0	#N/A	#N/A	#N/A
Market Cap	0.0000002630	3.3371E-08	7.88130564	4.1699E-15
90-day ADV	0.0140402219	0.00055818	25.1533643	1.613E-129

Based on the aforementioned analysis, as performed by ISE in Amendment No. 2, the Exchange believes that the proposed 250,000 contracts for position and exercise limits is appropriate.

Second, ISE reviewed IBIT’s data relative to the market capitalization of the entire bitcoin market in terms of exercise risk and availability of deliverables. As of November 25, 2024, there are 19,787,762 bitcoins in circulation.²⁹ At a price of \$94,830,³⁰ that equates to a market capitalization of greater than \$1.876 trillion US. If a position limit of 250,000 contracts were considered, the exercisable risk would represent 2.89%³¹ of the outstanding shares outstanding of IBIT. Since IBIT has a creation and redemption process managed through the issuer, additionally it can be compared the position limit sought to the total market capitalization of the entire bitcoin market and in that case, the exercisable risk for options on IBIT would be less than 0.072% of all bitcoin outstanding. Assuming a scenario where all options on IBIT shares were exercised given the proposed 250,000 per same side position and exercise limits, this would have a virtually unnoticed impact on the entire bitcoin market. This analysis demonstrates that the proposed 250,000 per same side position and exercise limits are appropriate for options on IBIT given its liquidity.

Third, ISE reviewed the proposed position limit by comparing it to position limits for derivative products regulated by the Commodity Futures Trading Commission (“CFTC”). While the CFTC, through the relevant Designated Contract Markets, only regulates options positions based upon delta equivalents (creating a less stringent standard), ISE examined equivalent bitcoin futures position limits. In particular, ISE looked at the CME bitcoin futures contract³² that has a position limit of 2,000 futures.³³ On October 22, 2024, CME bitcoin futures settled at \$94,945.³⁴ On October 22, 2024, IBIT settled at \$54.02, which would equate to greater than 17,557,898 shares of IBIT if the CME notional position limit was utilized. Since substantial portions of any distributed options portfolio are likely to be out of the money on expiration, an options position limit equivalent to the CME position limit for bitcoin futures (considering that all options deltas are <=1.00) should be a bit higher than the CME implied 175,578 limit. Of note, unlike options contracts, CME position limits are calculated on a net futures equivalent basis by contract and include contracts that aggregate into one or more base contracts according to an aggregation ratio(s).³⁵ Therefore, if a portfolio includes positions in options on futures, CME would aggregate those

positions into the underlying futures contracts in accordance with a table published by CME on a delta equivalent value for the relevant spot month, subsequent spot month, single month and all month position limits.³⁶ If a position exceeds position limits because of an option assignment, CME permits market participants to liquidate the excess position within one business day without being considered in violation of its rules. Additionally, if at the close of trading, a position that includes options exceeds position limits for futures contracts, when evaluated using the delta factors as of that day’s close of trading, but does not exceed the limits when evaluated using the previous day’s delta factors, then the position shall not constitute a position limit violation. Based on the aforementioned analysis, the Exchange believes that the proposed 250,000 contracts for position and exercise limits is appropriate.

Fourth, ISE analyzed a position and exercise limit of 250,000 for IBIT options against other options on ETFs with an underlying commodity, namely SPDR Gold Shares (“GLD”) ETF, iShares Silver Trust (“SLV”) ETF, and ProShares Bitcoin ETF (“BITO”).³⁷ GLD has a float of 306.1 million shares³⁸ and a position limit of 250,000 contract. SLV has a float of 520.7 million shares,³⁹ and a position limit of 250,000 contracts. Finally, BITO has 107.65 million shares outstanding⁴⁰ and a position limit of

²⁷ ISE utilized Excel’s Data Analysis Package to model the position limit.

²⁸ ISE utilized this formula to arrive at the number of contracts: ((46,783,380,800 mkt cap * 0.0000002630 market cap coefficient) + (39,421,877 ADV * 0.0140402219 ADV coefficient)).

²⁹ See <https://www.coingecko.com/en/coins/bitcoin>.

³⁰ This is the approximate price of bitcoin from 4:00 p.m. ET on November 25, 2024.

³¹ This percentage is arrived at with this equation: (250,000 contract limit * 100 shares per option / 866,040,000 shares outstanding).

³² CME Bitcoin Futures are described in Chapter 350 of CME’s Rulebook.

³³ See the Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5 of CME’s Rulebook.

³⁴ 2,000 futures at a 5 bitcoin multiplier (per the contract specifications) equates to \$949,450,000 (2000 contracts * 5 BTC per contract * \$94,945 price of November BTC future) of notional value.

³⁵ See <https://www.cmegroup.com/education/courses/market-regulation/position-limits/positionlimits-aggregation-of-contracts-and-table.htm>.

³⁶ *Id.*

³⁷ GLD, SLV and BITO each hold one asset in trust similar to IBIT.

³⁸ See <https://www.ssga.com/us/en/intermediary/etfs/spdr-gold-shares-gld>.

³⁹ See <https://www.ishares.com/us/products/239855/ishares-silver-trust-fund>.

⁴⁰ See <https://www.marketwatch.com/investing/fund/bit0>.

transparent OTC markets a more attractive alternative to achieve their investment and hedging objectives, leading to a retreat from the listed options markets, where trades are subject to reporting requirements and daily surveillance. However, the Exchange notes that IBIT's position limits would be reviewed on a six month basis, pursuant to Exchange Rule 307(d), similar to other options.

The Exchange represents that the same surveillance procedures applicable to all other options on other ETFs currently listed and traded on the Exchange will apply to options on the Trust. Also the Exchange represents that it has the necessary systems capacity to support the new option series. The Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading options on ETFs, including the proposed Trust options.

The Exchange believes that the existing surveillance procedures and reporting requirements at the Exchange 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 continued compliance with the Exchange's listing standards. These procedures monitor market activity via automated surveillance techniques to identify unusual activity in both options and the underlyings, as applicable. The Exchange also notes that large stock holdings must be disclosed to the Commission by way of Schedules 13D or 13G,⁵⁰ 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. Further, 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 equity 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 member organization must maintain for a large position held by itself or by its customer.⁵¹ In addition, Rule 15c3-1⁵² imposes a capital charge on member organizations to the extent of any

margin deficiency resulting from the higher margin requirement.

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.⁵³ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁵⁴ 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 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)⁵⁵ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that removing IBIT from the table of position limits in Interpretation and Policy .01 to Exchange Rule 307 and the table of exercise limits in Interpretation and Policy .01 to Exchange Rule 309, so its position limit would be reviewed similar to all other options for which the Exchange has not filed to otherwise establish the position limits to levels outside of the position limits of Exchange Rule 307(d) is consistent with the Act. This proposal will 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 will provide market participants with the ability to more effectively execute their trading and hedging activities. Also, based on current trading volume, the resulting increase in the position (and exercise) limits for IBIT options may allow Market-Makers to maintain their liquidity in these options in amounts commensurate with the continued high consumer demand in IBIT options. Subjecting options on IBIT to the position limits in Exchange Rule 307(d) and corresponding exercise limits in Exchange Rule 309 may also encourage other liquidity providers to continue to

trade on the Exchange rather than shift their volume to OTC markets, which will enhance the process of price discovery conducted on the Exchange through increased order flow. Further, this proposed change would allow institutional investors to utilize IBIT options for prudent risk management purposes. The Exchange notes that IBIT's position limits would be reviewed on a six month basis, pursuant to Exchange Rule 307(d), similar to other options.

In addition, the Exchange believes that the current liquidity in IBIT will mitigate concerns regarding potential manipulation of IBIT options and/or disruption of IBIT upon amending the table of position limits in Interpretation and Policy .01 to Exchange Rule 307 and the table of exercise limits in Interpretation and Policy .01 to Exchange Rule 309.

Additionally, the regression model performed by ISE demonstrates that the proposed position limit is half of the modeled limit given the liquidity of IBIT. Comparing IBIT's data relative to the market capitalization of the entire bitcoin market in terms of exercise risk and availability of deliverables, the Exchange was able to conclude that if a position limit of 250,000 contracts were considered, the exercisable risk would represent 2.89%⁵⁶ of the shares outstanding of IBIT. Since IBIT has a creation and redemption process managed through the issuer (whereby Bitcoin is used to create IBIT shares), the position limit can be compared to the total market capitalization of the entire bitcoin market and in that case, the exercisable risk for options on IBIT would represent less than .072% of all bitcoin outstanding.⁵⁷ Comparing the proposed position limit to position limits for equivalent bitcoin futures position limits, the analysis demonstrated that a 250,000 contracts position and exercise limits would be appropriate.

Comparing a position limit of 250,000 for IBIT options against other options on ETFs with an underlying commodity, namely GLD, SLV and BITO, a position limit exercise in GLD represents 8.17% of the float of GLD, a position limit exercise in SLV represents 4.8% of the float of SLV, and a position limit exercise of BITO represents 23.22% of the float of BITO. In comparison, a 250,000 contract position limit in IBIT

⁵⁶ This percentage is arrived at with this equation: (250,000 contract limit * 100 shares per option / 866,040,000 shares outstanding).

⁵⁷ This number was arrived at with this calculation: ((250,000 limit * 100 shares per option * \$54.02 settle) / (19,787,762 BTC outstanding * \$94,830 BTC price)).

⁵⁰ 17 CFR 240.13d-1.

⁵¹ See Exchange Rules, Chapter 15, Margins.

⁵² 17 CFR 240.15c3-1.

⁵³ 15 U.S.C. 78f(b).

⁵⁴ 15 U.S.C. 78f(b)(5).

⁵⁵ Id.

options would represent 2.89% of the float of IBIT. Consequently, a 250,000 IBIT options position limit is more conservative than the standard applied to GLD, SLV and BITO, and appropriate. Also, the Exchange notes that Cboe's proprietary CBTX and MBTX indices weight IBIT the highest (at 20%) in its index composition among the other ETFs that comprise the index.⁵⁸ The Exchange notes that today, these indexes have a position of 24,000 contracts which is much higher than the current position limits for IBIT options when considering the notional value of the indices.⁵⁹ These indexes are already trading with position and exercise limits that are higher than the lowest position limit for an industry index option.⁶⁰

The Exchange notes that IBIT began trading in penny increments as of January 2, 2025 pursuant to the Penny Interval Program.⁶¹ The Commission noted that evidence contained in both the Exchanges' Report and the Cornerstone analysis demonstrates that

⁵⁸ See https://www.cboe.com/tradable_products/bitcoin-etf-indexoptions?utm_source=mcae&utm_medium=email&utm_campaign=bitcoin_etf_options_launch.

⁵⁹ See Cboe Rule 8.32(a). The Exchange notes that given the multiplier and notional value of CBTX, the index has a position and exercise limit that equates to 1,000,000 contracts of in kind exposure to IBIT, which is more than 40 times greater than the exposure for options on IBIT at the current 25,000 contract position and exercise limit.

⁶⁰ 18,000 contracts is the lowest position limit for industry index options if the Exchange determines, at the time of a review conducted pursuant to subparagraph (2) of this paragraph (a), that any single underlying stock accounted, on average, for thirty percent (30%) or more of the index value during the thirty (30)-day period immediately preceding the review. See Exchange Rule 1805. Further, Cboe Rule 8.32(a)(3) permits a limit of 31,500 contracts if the Exchange determines that the conditions specified in Rule 8.32(a)(1) and (2), which would require the establishment of a lower limit, have not occurred.

⁶¹ The Exchange may add to the Penny Program a newly listed option class provided that (i) it is among the 300 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in its first full calendar month of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index level below \$200. Any option class added under this provision will be added on the first trading day of the month after it qualifies and will remain in the Penny Program for one full calendar year, after which it will be subject to the Annual Review described in Exchange Rule 501(c)(2). The Exchange may add any option class to the Penny Program, provided that (i) it is among the 75 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in the past six full calendar months of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index level below \$200. Any option class added under this provision will be added on the first trading day of the second full month after it qualifies and will remain in the Penny Program for the rest of the calendar year, after which it will be subject to the Annual Review as described in Exchange Rule 501(c)(2). See Exchange Rule 501(c)(2).

the Penny Pilot has benefitted investors and other market participants in the form of narrower spreads.⁶² The most actively traded options classes are included in the Penny Program based on certain objective criteria (trading volume thresholds and initial price tests). As noted in the Penny Approval Order, the Penny Program reflects a certain level of trading interest (either because the class is newly listed or a class that experience a significant growth in investor interest) to quote in finer trading increments, which in turn should benefit market participants by reducing the cost of trading such options.⁶³ IBIT options are among a select group of products that have achieved a certain level of liquidity that have garnered it the ability to trade in finer increments pursuant to the Penny Interval Program. Failing to permit IBIT options to potentially increase position and exercise limits given the trading in finer increments, may artificially inhibit liquidity and create price inefficiency for IBIT options.

Finally, as discussed above, the Exchange's surveillance and reporting safeguards continue to be designed to deter and detect possible manipulative behavior that might arise from increasing or eliminating position and exercise limits in certain classes. 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 the options on the underlying securities, further promoting just and equitable principles of trading, the maintenance of a fair and orderly market, and the protection of investors.

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. In this regard and as indicated above, the Exchange notes that the rule change is being proposed as a competitive response to filings submitted by ISE.⁶⁴

The Exchange's proposal does not burden intra-market competition because all Members would be subject

to the position limits in Exchange Rule 307(d) and corresponding exercise limits in Exchange Rule 309. The Exchange believes that the proposed rule change will also provide additional opportunities for market participants to continue to efficiently achieve their investment and trading objectives for equity options on the Exchange.

The Exchange does not believe that the proposed rule change will impose any burden on inter-market competition as the proposal is not competitive in nature. The Exchange expects that all option exchanges will adopt substantively similar proposals, such that the Exchange's proposal would benefit competition. For these reasons, the Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁶⁵ and Rule 19b-4(f)(6) thereunder.⁶⁶ Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁶⁷ and subparagraph (f)(6) of Rule 19b-4 thereunder.⁶⁸

A proposed rule change filed under Rule 19b-4(f)(6)⁶⁹ under the Act does not normally become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),⁷⁰ the Commission may

⁶⁵ 15 U.S.C. 78s(b)(3)(A)(iii).

⁶⁶ 17 CFR 240.19b-4(f)(6).

⁶⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁶⁸ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied the pre-filing requirement.

⁶⁹ 17 CFR 240.19b-4(f)(6).

⁷⁰ 17 CFR 240.19b-4(f)(6)(iii).

⁶² See Securities Exchange Act Release No. 88532 (April 1, 2020), 67 FR 19545, 19548 (April 7, 2020) (File No. 4-443) (Joint Industry Plan; Order Approving Amendment No. 5 to the Plan for the Purpose of Developing and Implementing Procedures Designed To Facilitate the Listing and Trading of Standardized Options To Adopt a Penny Interval Program) ("Penny Approval Order").

⁶³ *Id.* at 19548.

⁶⁴ See *supra* note 4.

designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission previously approved the proposed increase to the position and exercise limits for iShares Bitcoin Trust ETF.⁷¹ The Exchange represents that the same surveillance procedures applicable to the Exchange's other options products listed and traded on the Exchange will apply to options on the Trust, and that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading options on ETFs, including the proposed Trust options. The Commission believes that waiver of the operative delay could benefit investors by providing an additional venue for trading iShares Bitcoin Trust ETF options without the prior position and exercise limits. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.⁷²

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 shall institute proceedings to determine whether the proposed rule 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:

⁷¹ See Securities Exchange Act Release No. 103564 (July 29, 2025) (SR-ISE-2024-62) (Order Approving a Proposed Rule Change, as Modified by Amendment Nos. 2 and 3, Regarding Position and Exercise Limits for Options on the iShares Bitcoin Trust ETF) (SR-ISE-2024-62).

⁷² For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(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. Please include file number SR-MIAX-2025-37 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-MIAX-2025-37. 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-MIAX-2025-37 and should be submitted on or before August 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷³

Sherry R. Haywood,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103634; File No. SR-NYSEARCA-2025-24]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change To List and Trade Shares of the Sprott Physical Copper Trust

August 5, 2025.

On June 10, 2025, NYSE Arca, Inc. ("NYSE Arca") 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

⁷³ 17 CFR 200.30-3(a)(12), (59).

¹ 15 U.S.C. 78s(b)(1).

thereunder,² a proposed rule change to list and trade shares of the Sprott Physical Copper Trust under NYSE Arca Rule 8.201-E (Commodity-Based Trust Shares). The proposed rule change was published for comment in the **Federal Register** on June 26, 2025.³

Section 19(b)(2) of the Act⁴ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is August 10, 2025. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change and the issues raised therein. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁵ designates September 24, 2025, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-NYSEARCA-2025-24).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Sherry R. Haywood,

Assistant Secretary.

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² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 103296 (June 23, 2025), 90 FR 27362. Comments on the proposed rule change are available at: <https://www.sec.gov/comments/sr-nysearca-2025-24/srnysearca202524.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ 15 U.S.C. 78s(b)(2).

⁶ 17 CFR 200.30-3(a)(31).