

SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0104]

Agency Information Collection Activities; Proposed Collection; Comment Request; Extension: Form 3—Initial Statement of Beneficial Ownership of Securities

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736

Notice is hereby given that pursuant, to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) is soliciting comments on the collections of information summarized below. The Commission also is requesting approval from OMB to designate this existing collection of information (OMB Control No. 3235–0104) as a “common form” for purposes of PRA submissions¹ because the Board of Governors of the Federal Reserve System uses this information collection (under OMB Control No. 7100–0091). The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Congress enacted Section 16 of the Securities Exchange Act of 1934 (“Exchange Act”) to address insider trading. Pursuant to Section 16(a), every person who owns more than ten percent of any class of equity security (other than an exempted security) which is registered under Section 12 of the Exchange Act, or who is a director or an officer of the issuer of such security (collectively “reporting persons”) are

¹ See ROCIS PRA Module User Guide v.8.2, at 110–111 (Mar. 2024), available at <https://www.rocis.gov/rocis/viewResources.do> (“A ‘common form’ is an information collection that can be used by two or more agencies, or government-wide, for the same purpose. The Common Forms Module [in ROCIS] allows a ‘host’ agency to obtain [OMB] approval of an information collection for use by one or more ‘using’ agencies. After OMB grants approval, any prospective using agency that seeks to collect identical information for the same purpose can obtain approval to use the ‘common form’ by providing its agency-specific information to OMB (e.g., burden estimates and number of respondents). The host agency will indicate in the **Federal Register** notices that it is requesting approval of a common form and, if known, identify other agencies that may use the information collection. Both the **Federal Register** notices and the ICR should account only for the burden imposed by the host agency’s use of the common form. Once the host agency has received approval from OMB, any agency will be able to request OMB approval for its use of the common form in ROCIS by providing its agency specific information to OMB (e.g., burden estimates and number of respondents). Additional public notice by those agencies will not be required.”).

required to file statements disclosing their ownership of the issuer’s equity securities. The Commission adopted Form 3 (17 CFR 249.103) pursuant to Section 16. Form 3 requires disclosure of certain information about a reporting person and their beneficial ownership of the relevant class of securities. We estimate that Form 3 takes approximately 0.5 hours per response and is filed once per year by approximately 15,371 respondents, for a total of approximately 15,371 responses annually.² We estimate that 100% of the 0.5 hours per response is carried internally by the respondent for annual reporting burden of 7,686 hours (0.50 hours per response × 15,371 responses) and \$0 of estimated annual cost burden.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency’s estimate of the burden imposed by the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenberg via email to PaperworkReductionAct@sec.gov by June 15, 2026. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: April 10, 2026.

Sherry R. Haywood,

Assistant Secretary.

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² We calculated this estimate by adding (A) the average number of Form 3 filings annually for the period 2023 through 2025 (12,404 responses annually) to (B) the Commission’s estimated increase in the annual number of Form 3 filings based on its recent amendments to implement the Holding Foreign Insiders Accountable Act (2,967 responses). See *Holding Foreign Insiders Accountable Act Disclosure*, Release No. 34–104903 (Feb. 27, 2026) [91 FR 10320 (Mar. 3, 2026)].

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–105196; File No. SR–CBOE–2026–005]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified and Superseded by Amendment No. 3, To Amend Rules 4.13 and 5.1 To Permit Options on the Dow Jones Industrial Average Index To Be P.M.-Settled

April 10, 2026.

I. Introduction

On January 8, 2026, Cboe Exchange, Inc. (“Cboe” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b–4 thereunder,² a proposed rule change to permit options on the Dow Jones Industrial Average index (“DJX” or “DJX index”) to be P.M.-settled. The proposed rule change was published for comment in the **Federal Register** on January 26, 2026.³ On February 19, 2026, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and superseded the proposed rule change as originally filed.⁴ On March 5, 2026, the Exchange filed Amendment No. 2 to the proposed rule change, and on March 6, 2026, the Exchange withdrew Amendment No. 2. On March 6, 2026, the Exchange filed Amendment No. 3 to the proposed rule change, which amended and superseded Amendment No. 1 in its entirety.⁵ On March 9, 2026, the Commission designated a longer period within which to take action on the proposed rule change.⁶ The Commission received no comments on the proposed rule change. The Commission is publishing this Notice and Order to solicit comment on Amendment No. 3 in Sections II and III below, which sections are being published verbatim as filed by the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Securities Exchange Act Release No. 104644 (Jan. 21, 2026), 91 FR 3284.

⁴ The full text of Amendment No. 1 is available on the Commission’s website at: <https://www.sec.gov/comments/sr-cboe-2026-005/sr-cboe2026005-706448-2224034.pdf>.

⁵ The full text of Amendment No. 3 is available on the Commission’s website at: <https://www.sec.gov/comments/sr-cboe-2026-005/sr-cboe2026005-719767-2253315.pdf>.

⁶ See Securities Exchange Act Release No. 104953, 91 FR 12251 (Mar. 12, 2026). The Commission designated April 26, 2006, as the date by which Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

Exchange, and to approve the proposed rule change, as modified and superseded by Amendment No. 3, 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 Rules 4.13 and 5.1 to permit options on the Dow Jones Industrial Average ("DJX options") to be P.M.-settled. The Exchange initially submitted this rule filing SR-CBOE-2026-005 to the Securities and Exchange Commission (the "Commission") on January 8, 2026 (the "Initial Rule Filing"). The Exchange submitted Amendment No. 1 to this rule filing SR-CBOE-2026-005 to the Commission on February 19, 2026. The Exchange submitted Amendment No. 2 on March 5, 2026, but withdrew it on March 6, 2026. This Amendment No. 3 supersedes the Initial Rule Filing and Amendment No. 1 and replaces them in their entirety. This Amendment No. 3 provides additional support for the proposal, as well as makes minor changes to language in the rule filing, but makes no changes to the proposal. 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/), and at the principal office of the Exchange.

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

This proposed rule change amends certain rules to permit the Exchange to

list P.M.-settled⁷ DJX options. Specifically, the Exchange proposes to amend (1) Rule 4.13, Interpretation and Policy .13 to permit the listing of P.M.-settled DJX options that expire on the standard third Friday-of-the-month ("Expiration Friday");⁸ (2) amend Rule 4.13(c) to permit the listing of DJX options with Quarterly Index Expirations ("QIXs");⁹ (3) permit the Exchange to list DJX options with Nonstandard Expirations pursuant to Rule 4.13(e).¹⁰

The Exchange may currently list P.M.-settled series that expire on Expiration Fridays, Nonstandard Expirations, and QIXs for several different broad-based indexes. This proposed rule change would permit the Exchange to list P.M.-settled DJX options that expire on Expiration Fridays, Nonstandard Expirations, and QIXs. The availability of P.M.-settled DJX options with these various expirations will provide market participants with opportunities to trade those options in a manner more aligned with specific timing needs and more effectively tailor their investment and hedging strategies related to the Dow Jones Industrial Average and manage their portfolios. In particular, the proposed rule change will allow market participants to roll their positions in DJX options with regularity and more precision, to spread risk across more trading days, and incorporate daily, weekly, monthly, and quarterly changes in the markets, which may reduce the premium cost of hedging.

⁷ An option with P.M.-settlement has its exercise settlement value derived from the closing prices on the expiration date.

⁸ Rule 4.13, Interpretation and Policy .13 permits the Exchange to list P.M.-settled options on the, S&P 500 Index ("SPX options"), Mini-SPX Index ("XSP options"), S&P 500 Equal Weight Index (full-value) ("SPEQF options"), S&P 500 Equal Weight Index (1/10th) ("SPEQX options"), Russell 2000 Index ("RUT options"), Mini-RUT Index ("MRUT options"), Cboe Bitcoin U.S. ETF Index ("CBTX options"), Cboe Mini-Bitcoin U.S. ETF Index ("MBTX options"), and Cboe Magnificent 10 Index ("MGTN options").that expire on the third Friday-of-the-month.

⁹ Rule 4.13(c) permits the Exchange to list QIXs on options on the S&P 100 Index ("OEX options"), SPX options, XSP options, SPEQF options, SPEQX options, RUT options, MRUT options, CBTX options, MBTX options, and MGTN options.

¹⁰ Rule 4.13(e) permits the Exchange to open for trading Weekly Expirations on any broad-based index eligible for standard options trading on any Monday, Tuesday, Wednesday, Thursday, or Friday (other than Expiration Fridays or days that coincide with an end-of-month ("EOM") expiration) or EOM expirations on any broad-based index eligible for standard options trading. While the Exchange believes it has the authority under this rule to list DJX options with Nonstandard Expirations, Commission staff informed the Exchange that it must submit a rule filing pursuant to Section 19(b)(2) under the Act before it may list Nonstandard Expirations for these classes.

First, the Exchange proposes to list DJX options pursuant to the Nonstandard Expirations Program ("Program") under Rule 4.13(e), which would permit P.M.-settled DJX options that expire any Monday, Tuesday, Wednesday, Thursday, or Friday (other than the third Friday-of-the-month ("Expiration Friday") or days that coincide with an end-of-month expiration) ("Weekly Expirations") and that expire on the last trading day of the month ("EOMs"). Currently, under this Program, the Exchange is permitted to list P.M.-settled options on any broad-based index eligible for standard trading and the Cboe Bitcoin U.S. ETF Index ("CBTX options"), the Mini-Cboe Bitcoin U.S. ETF Index ("MBTX options"), and the Cboe Magnificent 10 Index ("MGTN options") (which are narrow-based indexes) that expire on: (1) any Monday, Tuesday, Wednesday, Thursday, or Friday (other than the third Friday-of-the-month or days that coincide with an EOM expiration) and (2) the last trading day of the month.¹¹ The proposal expands the availability of Weekly and EOM expirations to DJX options, which are broad-based index options eligible for standard options trading.¹²

The Nonstandard Expirations Program will apply to DJX options in the same manner as it currently applies to other index options. Weekly and EOM Expirations are subject to all provisions of Rule 4.13 and treated the same as options on the same underlying index that expire on the third Friday of the expiration month; provided, however, that Weekly and EOM Expirations are P.M.-settled, and new series in Weekly and EOM Expirations may be added up to and including on the expiration date for an expiring Weekly or EOM Expiration.

The maximum number of expirations that may be listed for each Weekly Expiration (*i.e.*, a Monday expiration, Tuesday expiration, Wednesday expiration, Thursday expiration, or Friday expiration, as applicable) and each EOM expiration in a given class is the same as the maximum number of expirations permitted in Rule 4.13(a)(2)

¹¹ See Rule 4.13(e).

¹² The Exchange notes DJX options are eligible for the Monthly Options Series program pursuant to Rule 4.13(a)(2)(C), which permits p.m.-settled options that expire on the last trading day of the month (as do options with EOM expirations) (the Exchange has not previously listed DJX options with Monthly expirations under this program). The Exchange proposes to make these options eligible for the EOM expirations pursuant to the Nonstandard Expiration for consistency since the Exchange is proposing to make these options eligible for the Weekly Expirations, which are part of the Nonstandard Expiration Program.

for standard options on the same index (which is currently six for DJX options). Weekly Expirations need not be for consecutive Monday, Tuesday, Wednesday, Thursday, or Friday expirations as applicable; however, the expiration date of a nonconsecutive expiration may not be beyond what would be considered the last expiration date if the maximum number of expirations were listed consecutively. Weekly Expirations that are first listed in a given class may expire up to four weeks from the actual listing date. Similarly, EOM expirations need not be for consecutive end of month expirations; however, the expiration date of a nonconsecutive expiration may not be beyond what would be considered the last expiration date if the maximum number of expirations were listed consecutively. EOM Expirations that are first listed in a given class may expire up to four weeks from the actual listing date. If the Exchange lists EOMs and Weekly Expirations in a given class, the Exchange will list an EOM instead of a Weekly Expiration that expires on the same day in the given class. Other expirations in the same class are not counted as part of the maximum number of Weekly or EOM Expirations for an applicable index class.¹³

If the Exchange is not open for business on a respective Monday, the normally Monday expiring Weekly Expirations will expire on the following business day. If the Exchange is not open for business on a respective Tuesday, Wednesday, Thursday, or Friday, the normally Tuesday, Wednesday, Thursday, or Friday expiring Weekly Expirations will expire on the previous business day. If two different Weekly Expirations on an index would expire on the same day because the Exchange is not open for business on a certain weekday, the Exchange will list only one of such Weekly Expirations.¹⁴ In addition, pursuant to Rule 4.13(e)(3), transactions in expiring index options with Weekly and EOM Expirations may be effected on the Exchange between the hours of 9:30 a.m. and 4:00 p.m. on their last trading day (Eastern Time).

Second, the Exchange proposes to amend Rule 4.13(c) to permit the Exchange to list P.M.-settled QIXs on DJX options.¹⁵ Pursuant to Rule 4.13(c),

¹³ See Rule 4.13(e)(1) (regarding Weekly expirations) and (2) (regarding EOM expirations).

¹⁴ See *id.*

¹⁵ The Exchange notes DJX options are currently eligible for the Quarterly Options Series program pursuant to Rule 4.13(a)(2)(B), which permits P.M.-settled options that expire on the last trading day of the quarter (as do QIXs) (the Exchange has not previously listed DJX options with Quarterly

there may be up to eight near-term quarterly expirations open for trading in a class, and these options will be P.M.-settled. The QIX program will apply to DJX options in the same manner as it currently applies to the other options currently eligible for those expirations. QIXs are subject to all provisions of Rule 4.13 and treated the same as options on the same underlying index that expire on the third Friday of the expiration month, except that QIXs are P.M.-settled.

Third, the Exchange proposes to amend Rule 4.13, Interpretation and Policy .13 to permit the listing of P.M.-settled DJX options that expire on Expiration Fridays. Combined with the proposed rule changes above to permit the Exchange to list P.M.-settled DJX options with Weekly Expirations, the Exchange would be permitted to list P.M.-settled DJX options with expirations on all Fridays (in addition to all other days of the week). DJX options that are P.M.-settled and expire on Expiration Fridays are subject to all provisions of Rule 4.13 and treated the same as A.M.-settled DJX options, except that they are P.M.-settled.

In connection with the proposed rule changes to Rule 4.13, Interpretation and Policy .13, the Exchange proposes to amend Rule 5.1, which governs trading days and hours, in conjunction with the proposed addition of DJX options that are P.M.-settled and expire on Expiration Friday. Rule 5.1(b)(2)(C) currently provides that on their last trading day, Regular Trading Hours for index options with Nonstandard Expirations and QIXs, as well as expiring P.M.-settled SPX, XSP, SPEQX, SPEQF, RUT, MRUT, CBTX, and MGTN options, may be effected on the Exchange between 9:30 a.m. and 4:00 p.m. Eastern Time¹⁶ (as opposed to the 9:30 a.m. to 4:15 p.m. Regular Trading Hours for options with those expirations that are non-expiring). The proposed rule change amends Rule 5.1(b)(2)(C) to include DJX P.M.-settled options.¹⁷ The primary listing markets for the component securities that comprise the Dow Jones Industrial Average close trading in those securities at 4:00 p.m.,

expirations under this program). The Exchange proposes to make these options eligible for QIXs for consistency, since QIXs are currently available for certain index options available for trading on the Exchange (which options are also eligible for the Nonstandard Expirations Program).

¹⁶ See Rule 1.6, which states that unless otherwise specified, all times in the Rules are Eastern Time.

¹⁷ Current Rule 5.1(b)(2)(C) would apply to DJX options with Nonstandard Expirations and QIXs, as proposed; therefore, the addition of DJX P.M.-settled options to the list of options set forth in this Rule covers these options that expire on Expiration Fridays.

just as the primary listing markets for the component securities that comprise the S&P 500, Mini-S&P 500, Russell 2000, Mini-Russell 2000, Cboe Bitcoin U.S. ETF, Cboe Mini-Bitcoin U.S. ETF, and Cboe Magnificent 10 Indexes close trading at 4:00 p.m. The primary listing exchanges for the component securities disseminate closing prices for the component securities, which are used to calculate the exercise settlement value of these indexes. The Exchange believes that, under normal trading circumstances, the primary listing markets have sufficient bandwidth to prevent any data queuing that may cause any trades that are executed prior to the closing time from being reported after 4:00 p.m. If trading in expiring DJX P.M.-settled options continued an additional fifteen minutes until 4:15 p.m. on their last trading day, these expiring options would be trading after the settlement index value for those expiring options was calculated. Therefore, in order to mitigate potential investor confusion and the potential for increased costs to investors as a result of potential pricing divergence at the end of the trading day, the Exchange believes that it is appropriate to cease trading in the expiring DJX P.M.-Settled options at 4:00 p.m., as it already does for expiring P.M.-settled SPX, SPEQX, SPEQF, XSP, RUT, MRUT, CBTX, MBTX, and MGTN options that expire on Expiration Fridays and for expiring indexes with Nonstandard Expirations (which are P.M.-settled) for the same aforementioned reasons.¹⁸ The Exchange does not believe that the proposed rule change will impact volatility on the underlying cash market comprising the Dow Jones Industrial Average at the close on Expiration Fridays, as it already closes trading on the last trading day for expiring P.M.-settled index options at 4:00 p.m., which the Exchange does not believe has had an adverse impact on fair and orderly markets on Expiration Fridays for the underlying securities comprising the corresponding indexes (as further discussed below).¹⁹

¹⁸ See Securities Exchange Act Release Nos. 68888 (February 8, 2013), 78 FR 10668 (February 14, 2013) (SR-CBOE-2012-120) (“SPXPM Pilot Approval Order”); 70087 (July 31, 2013), 78 FR 47809 (August 6, 2013) (SR-CBOE-2013-055) (“XSPPM Pilot Approval Order”); and 91067 (February 5, 2021), 86 FR 9108 (February 11, 2021) (SR-CBOE-2020-116) (“MRUTPM Pilot Approval Order”).

¹⁹ See Securities Exchange Act Release Nos. 98454 (September 20, 2023), 88 FR 66103 (September 26, 2023) (SR-CBOE-2023-005) (“SPXPM Permanent Approval Order”); and 98455 (September 20, 2023), 88 FR 66073 (September 26, 2023) (SR-CBOE-2023-019) (“XSPPM and MRUTPM Permanent Approval Order”).

As noted above, current Rules permit the Exchange to list P.M.-settled DJX options with expirations on the last calendar of the month and quarter.²⁰ As a result, it is already possible under the Rules for options on the Dow Jones Industrial Average to be P.M.-settled and to expire on any day of the week (as the end of the month or the end of a quarter may fall on any day of the week). The Rules also already allow options on the Dow Jones Industrial Average to expire on Thursdays for normally Friday expiring options when the Exchange is not open for business on a respective Friday. Further, options on the Dow Jones Industrial Average are available for FLEX trading pursuant to Rule 4.20, which permits market participants to select expiration dates for these FLEX options for any day of the week and may select P.M.-settlement.

The Exchange believes that the introduction of Weekly Expirations and Expiration Friday expirations for options on the Dow Jones Industrial Average that are P.M.-settled will provide market participants with additional hedging tools and greater trading opportunities, regardless of in which index option market they participate. By offering expanded

expirations along with the current standard A.M.-settled expirations (as well as P.M.-settled monthly and quarterly expirations that are permitted under the Rules), the proposed rule change will allow market participants to purchase options on the Dow Jones Industrial Average available for trading on the Exchange in a manner more aligned with specific timing needs (such as to hedge special events) and more effectively tailor their investment and hedging strategies and manage their portfolios. In particular, the proposed rule change will allow market participants to roll their positions on more trading days, thus with more precision, spread risk across more trading days and incorporate daily changes in the markets, which may reduce the premium cost of buying protection. For example, the Exchange believes that market participants may pay for more protection than they need if they are seeking to hedge weekend or special event risk that occurs. Therefore, the Exchange believes that P.M.-settled daily expirations (including on all Fridays) would allow market participants to purchase an option based on their needed timing and allow them to tailor their investment or hedging needs more effectively. In addition,

because P.M.-settlement permits trading throughout the day on the day the contract expires, the Exchange believes this will permit market participants to more effectively manage overnight risk and trade out of their positions up until the time the contract settles.

The Exchange believes there is sufficient investor interest and demand in Weekly Expirations and Expiration Friday P.M.-settled expirations for options on the Dow Jones Industrial Average to warrant inclusion in the Program and in the Rules, and that the Program and the Rules, as amended, will continue to provide investors with additional means of managing their risk exposures and carrying out their investment objectives.²¹ The Exchange has observed a preference for P.M.-settled index options based on trading volumes in other index options listed on the Exchange. In fact, the majority of trading volume in index options listed on the Exchange for which P.M.-settlement is available is in options that are P.M.-settled. The following table shows the approximate percentage of total volume executed on the Exchange in each of the following broad-based index options²² from August 1, 2025 through January 31, 2026 that was P.M.-settled:

Index option	Total volume (8/1/2025 through 1/31/2026)	P.M.-settled volume (% of total volume) (8/1/2025 through 1/31/2026)
SPX	534614737	87.01
XSP	16128330	100
RUT	10205709	69.95
MRUT	39109	100
SPEQ	293	83.62

Total volume of DJX options (A.M.-settled) executed on the Exchange during this same time period was 945,173 contracts, which was among the top 10% of options during that time period. Given the demand for P.M.-settlement in other broad-based index option products as demonstrated in the table above, as well as the level of trading activity in the A.M.-settled DJX options, the Exchange believes offering investors the option of P.M.-settlement, and the flexibility of the proposed expirations, will drive further demand in DJX options.

The Exchange notes, as is the case for other p.m.-settled options, that DJX

options will be aggregated with all other option contracts for those options for purposes of determining compliance with the applicable position (and exercise) limit, as well as determining position limit reporting requirements.²³

P.M.-settled DJX options will trade in the same manner as other P.M.-settled index options listed on the Exchange. The Exchange Rules that currently apply to the listing and trading of p.m.-settled index options on the Exchange, including, for example, Rules that govern listing criteria, expirations, exercise prices, minimum increments, position and exercise limits, margin requirements, customer accounts, and

trading halt procedures, will apply to the listing and trading of P.M.-settled DJX options on the Exchange in the same manner as they apply to other P.M.-settled index options that are listed and traded on the Exchange.

The Exchange has analyzed its capacity and represents that it believes that the Exchange has the necessary systems capacity to handle any potential additional message traffic associated with the listing of new series that would result from the introduction of the DJX options up to the proposed number of possible p.m.-settled expirations. The Options Price Reporting Authority (“OPRA”) also informed the Exchange it

²⁰ See Rule 4.13(a)(2)(C) and (B), respectively.

²¹ The Exchange currently may list Weekly, EOM, QIX, and Expiration Friday P.M.-Settled Expirations for SPX, XSP, RUT, MRUT, CBTX, MBTX, and MGTN options.

²² The Exchange notes it currently lists no A.M.-settled XSP or MRUT options.

²³ See Rules 8.31(b), 8.35(b) and (d), and 8.42(b) and (g). There are no position and exercise limits for DJX options. Rule 8.35(b) requires Trading Permit Holders to report certain information regarding FLEX positions in FLEX index options

that are subject to no position limits if they maintain in excess of 100,000 contracts in those options. Additionally, Rule 8.43 imposes various reporting obligations with respect to options (including index options), even for index options subject to no position limits.

believes it has the necessary systems capacity to handle the additional traffic associated with the listing of new series that would result from this proposed rule change. The Exchange does not believe that its Trading Permit Holders (“TPHs”) will experience any capacity issues as a result of this proposal and represents that it will monitor the trading volume associated with any possible additional series of DJX options listed as a result of this proposal and the effect (if any) of these additional series on market fragmentation and on the capacity of the Exchange’s automated systems. In addition to this, the Exchange believes that its existing surveillance and reporting safeguards in place are adequate to deter and detect possible manipulative behavior which might arise from listing and trading P.M.-settled DJX options and will support the protection of investors and the public interest.

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.²⁴ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)²⁵ 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 facilitation 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)²⁶ 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 that the proposed rule change will 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, because it will provide investors with additional means to manage their risk exposures and carry out their investment objectives with

more flexibility. The Exchange believes that P.M.-settled Weekly and Expiration Friday expirations for DJX options will provide investors with expanded hedging tools and greater trading opportunities and flexibility for an additional index option.²⁷ As a result, investors will have additional means to manage their risk exposures and carry out their investment objectives. By offering expanded expirations for options on the Dow Jones Industrial Average (along with standard A.M.-settled options), the proposed rule change will allow market participants to purchase options on an additional index in a manner more aligned with specific timing needs and more effectively tailor their investment and hedging strategies and manage their portfolios. For example, the proposed rule change will allow market participants to roll their positions in options on the Dow Jones Industrial Average on more trading days, thus with more precision, spread risk across more trading days and incorporate daily changes in the markets, which may reduce the premium cost of buying protection. The Exchange represents that it believes that it has the necessary systems capacity to support any additional traffic associated with trading of options on the Dow Jones Industrial Average with Weekly and Expiration Friday (P.M.-settled) expirations and does not believe that its TPHs will experience any capacity issues as a result of this proposal.

The Exchange does not believe that the addition of DJX options to the Nonstandard Expirations Program, to the P.M.-settled Expiration Friday program, or the QIX program will raise any prohibitive regulatory concerns, nor adversely impact fair and orderly markets on expiration days. The Exchange has not experienced any meaningful regulatory concerns, nor adverse impact on fair and orderly markets, in connection with these programs and is unaware of any reason why adding P.M.-settled options with expirations each day of the week for DJX options would create such concerns or impact. Particularly, the Exchange does not believe increases in the number of P.M.-settled options series and expirations will have any significant adverse economic impact on the futures,

index, or underlying index component securities markets. The Exchange believes that the proposed rule change will provide investors with greater trading and hedging opportunities and flexibility, allowing them to transact in options on the Dow Jones Industrial Average in a manner more aligned with specific timing needs and more effectively tailor their investment and hedging objectives by listing these options that expire each trading day of the week, in addition to options that expire at the end of calendar month and quarter (which, as noted above, current Rules already permit the Exchange to do).

As noted above, current Rules permit the Exchange to list P.M.-settled options on the Dow Jones Industrial Average that expire on the last calendar day of the month and quarter; the proposed rule change merely permits these listings to occur under different programs within the Rules for consistency within the Exchange’s Rules.²⁸ Therefore, it is already possible under the Rules for options on the Dow Jones Industrial Average to be P.M.-settled and to expire on any day of the week (as the end of the month or the end of a quarter may fall on any day of the week). The Rules also already allow options on the Dow Jones Industrial Average to expire on Thursdays for normally Friday expiring options when the Exchange is not open for business on a respective Friday. Further, options on the Dow Jones Industrial Average are available for FLEX trading pursuant to Rule 4.20, and thus, market participants will be able to select expiration dates for these FLEX options for any day of the week and may select p.m.-settlement. The Exchange has no reason to believe this proposed rule change will cause any significant adverse economic impact on the futures, index, or underlying index component securities markets as a result of these listings.

The Commission previously recognized that listing P.M.-settled index options with Weekly Expirations and Expiration Friday expirations (in addition to EOM Expirations (which would include expirations on the last day of calendar quarters)) was consistent with the Act.²⁹ The

²⁷ Options on the Dow Jones Industrial Average may already be listed with P.M.-settlement and expirations on the last calendar day of the month or quarter pursuant to Rule 4.13(a)(2)(C) and (B), respectively; therefore, the additional series that this proposed rule would permit to be listed are P.M.-settled Weeklys and Expiration Friday expirations. The proposed rule change merely adds these options to different programs within the Rules that permit these same expirations for consistency within the Rules.

²⁸ For example, it may be confusing to list Weeklys under the Nonstandard Expirations Program but monthlys under the Monthly program rather than the Nonstandard Expirations Program. As proposed, all index options the Exchange lists with expirations other than Expiration Fridays would be eligible for those expirations under the same programs.

²⁹ See SPXPM Permanent Approval Order; 98455 (September 20, 2023), 88 FR 66073 (September 26, 2023) (SR-CBOE-2023-019) (“XSPPM and MRUTPM Permanent Approval Order”) (the

²⁴ 15 U.S.C. 78f(b).

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ *Id.*

Commission noted that expirations in those index options would “offer additional investment options to investors and may be useful for their investment or hedging objectives. . . .”³⁰ The Exchange also notes it previously listed P.M.-settled broad-based index options with Weekly, EOM, and Expiration Friday expirations pursuant to pilot programs, so the Commission could monitor the impact of P.M.-settlement of cash-settled index derivatives on the underlying cash markets (while recognizing that these risks may have been mitigated given enhanced closing procedures in use in the primary equity markets); however, the Commission approved proposed rule changes to make those pilot programs permanent. The Commission noted that the data it reviewed in connection with the pilot demonstrated that these options “benefitted investors and other market participants by providing more flexible trading and hedging opportunities while also having no disruptive impact on the market” and were thus consistent with the Act.³¹ The proposed rule change is consistent with these findings, as it will benefit investors and other market participants that participate in the markets for additional index options in the same manner by providing them with more flexible trading and hedging opportunities.

While the Commission’s prior determination was based on data specific to SPX options, the Exchange believes it is appropriate to extrapolate the data to apply to P.M.-settled DJX options.³² The components of the Dow

Exchange initially listed P.M.-Settled SPX, XSP, and MRUT options that expire on Expiration Fridays pursuant to pilot programs, so the Commission could monitor the impact of P.M. settlement of cash-settled index derivatives on the underlying cash markets (while recognizing that these risks may have been mitigated given enhanced closing procedures in use in the primary equity markets); 94682 (April 12, 2022), 87 FR 22993, 22994 (April 18, 2022) (SR-CBOE-2022-005) (approval of proposed rule change to list P.M.-settled SPX options that expire on Tuesdays and Thursdays) (“Daily SPX Option Approval”); and 95795 (September 15, 2022), 87 FR 57745, 57746 (September 21, 2022) (SR-CBOE-2022-039) (approval of proposed rule change to list P.M.-settled XSP options that expire on Tuesdays and Thursdays) (“Daily XSP Option Approval”).

³⁰ See Daily SPX Option Approval at 22995; and Daily XSP Option Approval at 57746.

³¹ See SPXPM Permanent Approval Order at 66106; and XSPPM and MRUTPM Permanent Approval Order at 66076 (citing data the Commission reviewed in connection with the pilot programs).

³² See XSPPM and MRUTPM Permanent Approval at n. 31; and Nonstandard Permanent Approval Order at n. 37 (at the time of that approval order, the Exchange had listed Nonstandard Expirations for RUT and MRUT options) (“The Commission agrees it is appropriate to extrapolate

Jones Industrial Average are all components of the S&P 500 Index. Additionally, the three largest components (by market capitalization) of the Dow Jones Industrial Average (which represent more than 80% of the total market capitalization of that index) represent more than 26% of the total market capitalization of the S&P 500 Index. Therefore, the Exchange believes extrapolating the data results to an index comprised of the a subset of those components (including some of the largest components of the S&P 500 Index) is more than appropriate, as the Commission has already considered the impact of P.M.-settled options on futures overlying an index that includes the same components, concluding P.M.-settled options had minimal economic impact on that future, index, and constituents.³³ Overall, the Commission concluded that the “analysis of pilot data did not identify any significant economic impact on the underlying component securities surrounding the close as a result of expiring p.m.-settled options, nor did it indicate a deterioration in market quality . . . for an existing product when a new p.m.-settled expiration was introduced. Further significant changes in closing procedures in the decades since index options moved to a.m. settlement may also serve to mitigate the potential impact of p.m.-settled index options on the underlying cash markets.”³⁴

The Exchange understands that investors may use other instruments (such as futures overlying the same index and ETFs designed to track the same index) to hedge their positions in options overlying this index given potential investment challenges and risk, as well as cost, of hedging with the underlying constituents (which would entail obtaining positions in each of the 30 individual stocks that comprise the index). With respect to these markets linked to DJX options, such as securities underlying the index, futures overlying the same index,³⁵ and ETFs designed to

the data to [p.m.-settled third Friday-of-the-month XSP and MRUT options], as the Exchange’s analysis examines liquidity and volatility dynamics around the market close, which may be associated with typical hedging activities tied to expiring p.m.-settled index options.”) Ultimately, the Commission found that the Exchange’s filing, pilot data, and analysis demonstrated these p.m.-settled products had no significant economic impact on the respective underlying indexes or other products. See *id.*

³³ See XSPPM and MRUTPM Permanent Approval at 66075; and Nonstandard Permanent Approval Order at 66093–66094.

³⁴ See XSPPM and MRUTPM Permanent Approval at 66076; and Nonstandard Permanent Approval Order at 66094.

³⁵ E-mini Dow futures currently trade on the Chicago Mercantile Exchange.

track the same index,³⁶ the Exchange believes these markets can withstand any additional pressure that listing these options may place on these markets. Additionally, trading within this complex of other correlated instruments that track the performance of the underlying components, in addition to the underlying components themselves (*e.g.*, options on the components, ETFs that track the most active stocks (including the components), and futures on the Dow Jones Industrial Average), reduces the risk that listing these options would strain liquidity providers.

Similar to the S&P 500 Index, all components of the Dow Jones Industrial Average are highly liquid securities with substantial market capitalizations ranging from approximately \$10.36 billion to \$4.57 trillion, with a combined market capitalization of approximately \$14.48 trillion (as of December 29, 2025),³⁷ and are components of the S&P 500 Index. The size of the markets of the underlying components makes it unlikely the proposed rule change would materially impact the component markets, the index value, or the broader market. The Exchange, therefore, believes the constituents would not be materially impacted by any additional pressure resulting from the listing of these options given their significant market capitalization and liquidity.

As is the case for options on other indexes eligible for P.M.-settlement, the Exchange does not believe the listing of

³⁶ For example, the SPDR Dow Jones Industrial Average ETF Trust (“DIA”).

³⁷ The components of the Dow Jones Industrial Average are 30 large, established, blue-chip U.S. companies that are deemed industry leaders. When the Commission approved the listing of DJX options on the Exchange, it found that DJX options would provide investors with an important trading and hedging mechanism. See Securities Exchange Act Release No. 39011 (September 3, 1997), 62 FR 47840, 47843 (September 11, 1997) (SR-CBOE-97-26). The Commission found the general broad diversification, capitalization, and highly liquid markets of the Dow Jones Industrial Average represents a broad cross-section of domestically traded high capitalization stocks, with no single industry group or stock dominating the index, significantly minimized the potential for manipulation of the index. See *id.* While there is no specific maintenance listing criteria codified in the Rules, the Exchange represented it would notify the Commission staff if: (1) the market value of any component stock is less than \$75 million and that component is not options eligible; (2) less than 80% of the weight of the index is represented by component stocks that are eligible for options trading; (3) 10% or more of the weight of the index is represented by component stocks trading less than 20,000 shares per day; (4) the largest component stock accounts for more than 15% of the weight of the index or the largest five components in the aggregate account for more than 50% of the weight of the index; and (5) if the index decreases to less than 20 component stocks. *Id.*

additional P.M.-settled options on the Dow Jones Industrial Average will have any significant economic impact (such as on market quality or volatility) on the component securities underlying the index surrounding the close as a result of expiring p.m.-settled options or impact market quality. This is based on the data provided to and reviewed by the Commission (and the Commission's own conclusions with respect to broad-based indexes based on that review, as noted above) and due to the significant changes in closing procedures in the decades since index options moved to a.m.-settlement.³⁸ The Exchange believes the potential for any such impact with respect to DJX options may be less likely compared to SPX options given the relatively fewer component securities in the Dow Jones Industrial Average (30) compared to the S&P 500 Index (at least 500). While the Dow Jones Industrial Average is broad-based and thus does represent the broad market, its scope is significantly smaller than the S&P 500 Index. Therefore, any potential impact may be limited in scope (as noted above, the Commission found no material impact with respect to P.M.-settled broad-based index options). Therefore, because, as noted above, the Commission found no material impact with respect to certain broad-based index options (including SPX options), the Exchange believes that it is reasonable to infer that no material impact would occur with respect to DJX options for the reasons described above (including the significant liquidity of the components and correlation of the component securities and the availability of multiple correlated instruments for hedging). The Exchange believes this to be particularly true given that the components of the Dow Jones Industrial Average are also components of the S&P 500 Index, which was the index the Commission considered in those findings. Additionally, as described above, the constituents of the Dow Jones Industrial Average are large, highly capitalized, and heavily traded, which further reduces the potential for manipulation of the index.

Further, the Exchange believes that because DJX options listed with Nonstandard Expirations, QIXs, and P.M.-settlement on Third Fridays will be aggregated with other options within those classes for purposes of position (and exercise) limits, will further prevent fraudulent and manipulative acts and practices and to promote just

and equitable principles of trade, and thus protect investors. This aggregation is consistent with the treatment of positions for purposes of position (and exercise) limits for other classes that may be listed with Nonstandard Expirations, QIXs, and third Friday P.M.-settlement.³⁹ Therefore, the current position and exercise limits that apply to DJX options will continue to apply, as the proposed additional expirations for these options would have no impact on the number of positions that may be held (or exercised) within a single account.

In addition, the Exchange believes that the proposal to end trading at 4:00 p.m. on the last trading day for transactions in expiring P.M.-settled DJX options will prevent continued trading on a product after the exercise settlement value has been fixed, thereby mitigating potential investor confusion and the potential for increased costs to investors as a result of potential pricing divergence at the end of the trading day.

The Exchange represents that it has the necessary systems capacity to support the proposed new option series given. The Exchange believes that its existing surveillance and reporting safeguards (including with respect to p.m.-settled index option series) in place are adequate to deter and detect possible manipulative behavior which might arise from listing and trading P.M.-settled DJX options (as the Exchange currently applies to other P.M.-settled index options with the same expiration) and will support the protection of investors and the public interest.⁴⁰ Additionally, the Exchange is a member of the Intermarket Surveillance Group ("ISG") under the Intermarket Surveillance Group Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. In addition to obtaining information from its affiliated markets, the Exchange would be able to obtain information from other markets through ISG. In addition, the Exchange has a Regulatory Services Agreement with the Financial Industry Regulatory Authority ("FINRA") for certain market surveillance, investigation and examinations functions. Pursuant to a multi-party 17d-2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market

surveillance that are common to rules of all options exchanges.⁴¹ The Exchange further notes that current Exchange Rules that apply to the trading of other p.m.-settled index options traded on the Exchange, such as SPX and XSP options, would also apply to the trading of p.m.-settled DJX options, such as, for example, Exchange Rules governing customer accounts, margin requirements, position and exercise limits,⁴² and trading halt procedures, which are designed to prevent fraudulent and manipulative acts.

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 because P.M.-settled options on the Dow Jones Industrial Average with Weekly and Expiration Friday expirations will be available to all market participants. By listing options on the Dow Jones Industrial Average with these expirations (in addition to the monthly, quarterly, and standard Expiration Friday expirations (A.M.-settled) that are currently permitted under the Rules), the proposed rule change will provide all investors that participate in the markets for these index options available for trading on the Exchange with greater trading and hedging

⁴¹ Section 19(g)(1) of the Act, among other things, requires every self-regulatory organization ("SRO") registered as a national securities exchange or national securities association to comply with the Act, the rules and regulations thereunder, and the SRO's own rules, and, absent reasonable justification or excuse, enforce compliance by its members and persons associated with its members. See 15 U.S.C. 78q(d)(1) and 17 CFR 240.17d-2. Section 17(d)(1) of the Act allows the Commission to relieve an SRO of certain responsibilities with respect to members of the SRO who are also members of another SRO ("common members"). Specifically, Section 17(d)(1) allows the Commission to relieve an SRO of its responsibilities to: (i) receive regulatory reports from such members; (ii) examine such members for compliance with the Act and the rules and regulations thereunder, and the rules of the SRO; or (iii) carry out other specified regulatory responsibilities with respect to such members.

⁴² See Rules 8.31(b), 8.35(b) and (d), and 8.42(b) and (g). There are no position and exercise limits for DJX options. Rule 8.35(b) requires Trading Permit Holders to report certain information regarding FLEX positions in FLEX index options that are subject to no position limits if they maintain in excess of 100,000 contracts in those options. Additionally, Rule 8.43 imposes various reporting obligations with respect to options (including index options), even for index options subject to no position limits.

³⁸ See SPXPM Permanent Approval Order at 66106; and XSPPM and MRUTPM Permanent Approval Order at 66076.

³⁹ See Rule 8.31(b).

⁴⁰ The surveillance program includes surveillance patterns for price and volume movements as well as patterns for potential manipulation (e.g., spoofing and marking the close).

opportunities and flexibility to meet their investment and hedging needs, which are already available for several other index options (both broad-based and narrow-based). Further, the proposed change to make options on the Dow Jones Industrial Average that are P.M.-settled and expire on the last business day of the month or quarter eligible for listing under different programs under the Rules will have any burden on competition, as this proposed rule change is intended to maintain consistency within the Rules and will result in the same series being listed. The proposed 4:00 p.m. closing time for expiring P.M.-settled DJX options on their expiration dates will apply equally to all market participants trading these options.

The Exchange does not believe that the proposal to list P.M.-settled options on the Dow Jones Industrial Average with Weekly and Expiration Friday expirations will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because these options are proprietary Exchange products. The Exchange may currently list the same expirations for other index options, so the proposed rule change merely expands the availability of these expiration programs to additional products. Other exchanges offer similar expirations for index options as well as short-term options programs for certain equity options that expire each day of the week, at the end of the calendar month, at the end of the calendar quarter, and on Expiration Fridays⁴³ and are welcome to similarly propose to list options on those index or equity products with similar expirations. To the extent that the addition of these expirations for options on the Dow Jones Industrial Average makes the Exchange a more attractive marketplace to market participants at other exchanges, such market participants are free to elect to become market participants on the Exchange.

Additionally, options on the Dow Jones Industrial Average with these expirations will trade in the same manner as other options with these expirations currently do.

⁴³ See, e.g., Nasdaq PHLX, LLC Options 4A, Section 12 (permitting nonstandard expirations, including daily expirations for Nasdaq-100 index options and Nasdaq 100-Micro index options); and Nasdaq ISE, LLC Options 4, Section 5, Supplementary Material .03 (permitting short-term options series with daily expirations for SPY and QQQ options).

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.

IV. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified and superseded by Amendment No. 3 ("Amended Proposal"), is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange.⁴⁴ In particular, the Commission finds that the Amended Proposal is consistent with Section 6(b)(1) of the Act,⁴⁵ which requires, among other things, that the Exchange be so organized and have the capacity to be able to carry out the purposes of the Act and to enforce compliance by its members and persons associated with its members with the provisions of the Act, Commission rules and regulations thereunder, and its own rules; and Section 6(b)(5) of the Act,⁴⁶ which requires, among other things, that the Exchange's rules be designed to prevent fraudulent and manipulative acts and practices, 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.

The Amended Proposal does not raise unique regulatory concerns. Options on broad-based indexes with p.m. settlement and third Friday-of-the-month, nonstandard, and quarterly expirations are not novel. The Exchange's rules already permit, for certain broad-based index options, the listing of p.m.-settled series with third Friday-of-the-month, nonstandard, and quarterly expirations.⁴⁷ P.M.-settled DJX options with third Friday-of-the-month, nonstandard, and quarterly expirations also would be subject to the same rules that presently govern the trading of all index options on the Exchange, including, among others, rules governing customer accounts, sales practices, margin requirements, and trading practices, which are designed to protect investors and prevent fraudulent

⁴⁴ 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).

⁴⁵ 15 U.S.C. 78f(b)(1).

⁴⁶ 15 U.S.C. 78f(b)(5).

⁴⁷ See *supra* Section III.

and manipulative acts.⁴⁸ Moreover, other options exchanges permit the listing and trading of certain broad-based index options with p.m. settlement and third Friday-of-the-month, nonstandard, and quarterly expirations.⁴⁹

The availability of p.m.-settled DJX options with third Friday-of-the-month, nonstandard, and quarterly expirations could benefit investors and remove impediments to a free and open market by providing market participants with more flexible trading and hedging opportunities. The proposal could allow market participants to establish DJX option positions in a manner more aligned with their specific timing needs and roll their positions in DJX options with regularity and more precision, spread risk across more trading days, and incorporate daily, weekly, monthly, and quarterly changes in the markets. In addition, because the proposed p.m. settlement feature would permit trading in DJX options throughout the expiration day, market participants should be able to trade out of their positions up until the time the contract settles, which could permit market participants to more effectively manage overnight risk and reduce residual risk on the day of expiration.

The Commission has considered the potential for adverse market impact presented by the Amended Proposal in the underlying cash equities markets. The Commission believes that the significant liquidity of the DJX index constituent securities, which must be sufficiently liquid to satisfy the Exchange's listing and maintenance criteria in Rule 4.10(f) and (g), should help mitigate against such potential for adverse market impact. The satisfaction of these requirements helps demonstrate that the constituent securities would not be materially impacted by potential additive derivative pressure resulting from the listing of p.m.-settled series of DJX options.⁵⁰

In this regard, the Exchange states that the components of the DJX index are thirty large, established, blue-chip U.S. companies with substantial market capitalizations, and they are

⁴⁸ *Id.*

⁴⁹ See, e.g., Nasdaq ISE, LLC Options 4A, Section 12 and Supplementary Material (Nasdaq-100 Index options); MIAAX Rule 1809 and Interpretation and Policies (Bloomberg 500 Index options).

⁵⁰ Further, the Commission has stated that significant changes in closing procedures in the decades since index options moved to a.m.-settlement may also serve to mitigate the potential impact of p.m.-settled index options on the underlying cash markets. See e.g., XSPMM and MRUTPM Permanent Approval Order, *supra* note 19, 88 FR at 66076.

components of the S&P 500 Index.⁵¹ In addition, the Exchange states that the majority of trading volume in index options listed on the Exchange for which both a.m.- and p.m.-settlement is available is in p.m.-settled series.⁵² Moreover, the Exchange states that DJX options will trade within a complex of other correlated instruments that track the performance of the underlying components—such as equity options on the individual underlying components, ETFs that trade the most active stocks (including the components), and futures on the Dow Jones Industrial Average—and that this reduces the risk that listing these options would strain liquidity providers or materially impact the component markets, the index value, or the broader market.⁵³ Given the significant market capitalization and liquidity of these options, the Exchange believes the constituents would not be materially impacted by any additional pressure resulting from the listing of these options.⁵⁴ The Exchange also states that it does not believe that the proposal would adversely impact fair and orderly markets on expiration days.⁵⁵ The Exchange represents that it has not experienced any meaningful regulatory concerns, nor adverse impact on fair and orderly markets, in connection with its third Friday-of-the-month, nonstandard, or quarterly expirations.⁵⁶

The Commission believes that the potential risks of trading p.m.-settled DJX options with third Friday-of-the-month, nonstandard, and quarterly expirations also are mitigated by the Exchange's surveillance mechanisms, consistent with Sections 6(b)(1) and 6(b)(5) of the Act.⁵⁷ The Exchange represents that its existing surveillance and reporting safeguards (including with respect to p.m.-settled index option series) are adequate to deter and detect possible manipulative behavior which might arise from listing and trading p.m.-settled DJX options and will support the protection of investors and the public interest.⁵⁸ Additionally, the Exchange is a member of ISG, whose members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets.⁵⁹ The Exchange also has a Regulatory Services

Agreement with FINRA for certain market surveillance, investigation and examinations functions.⁶⁰ Further, pursuant to a multi-party Rule 17d-2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market surveillance that are common to rules of all options exchanges.⁶¹ The Commission expects the Exchange to continue to monitor for any potential risks from large p.m.-settled positions in DJX options and take appropriate action on a timely basis, if warranted.

For the foregoing reasons, the Commission finds that the Amended Proposal is consistent with Sections 6(b)(1) and 6(b)(5) of the Act⁶² and the rules and regulations thereunder applicable to a national securities exchange.

V. Solicitation of Comments on Amendment No. 3 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning whether Amendment No. 3 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-2026-005 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-2026-005 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-2026-005 on the subject line, and should be submitted on or before May 6, 2026.

VI. Accelerated Approval of Proposed Rule Change, as Modified and Superseded by Amendment No. 3

The Commission finds good cause to approve the Amended Proposal prior to the thirtieth day after the date of publication of notice of the filing of Amendment No. 3 in the **Federal Register**. In Amendment No. 3, the Exchange provides total trading volume ranges for several broad-based p.m.-settled index options and compares this data with total trading volume for DJX index options, which are currently a.m.-settled.⁶³ The Commission believes that Amendment No. 3, without altering the purpose of the Initial Rule Filing, strengthens the Initial Rule Filing by providing additional clarity, support, and data, as explained above and set forth fully in Section III above.

The Commission therefore finds that Amendment No. 3 raises no novel regulatory issues that have not previously been subject to comment and is reasonably designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, and, in general, protect investors and the public interest. Accordingly, pursuant to Section 19(b)(2) of the Act,⁶⁴ 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. 3 in the **Federal Register**.

VII. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁶⁵ that the proposed rule change (SR-CBOE-2026-005), as modified and superseded by Amendment No. 3, be and hereby is approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶⁶

Sherry R. Haywood,

Assistant Secretary.

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⁵¹ See *supra* Section III.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ 15 U.S.C. 78f(b)(1), 78f(b)(5).

⁵⁸ See *supra* Section III.

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² 15 U.S.C. 78f(b)(1), 78f(b)(5).

⁶³ See *supra* Section III.

⁶⁴ 15 U.S.C. 78s(b)(2).

⁶⁵ *Id.*

⁶⁶ 17 CFR 200.30-3(a)(12).