

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 21	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2018 - * 017	Amendment No. (req. for Amendments *)
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Filing by Cboe Exchange, Inc.
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend Rule 6.56.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Kyle Last Name * Edwards
 Title * Counsel
 E-mail * edwards@cboe.com
 Telephone * (312) 786-7304 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 02/13/2018
 By Kyle Edwards
 Counsel
 edwards@cboe.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Item 1. Text of the Proposed Rule Change

(a) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend Rule 6.56. The text of the proposed rule change is provided below and in Exhibit 5.

(additions are underlined; deletions are [bracketed])

* * * * *

**Cboe Exchange, Inc.
Rules**

* * * * *

Rule 6.56. Compression Forums

(a)

(1) Prior to 4:30 p.m. Chicago time on the second, third, and fourth to last business day of each calendar month, in a manner and format determined by the Exchange, a Trading Permit Holder may provide the Exchange with a list of open SPX options positions that it would like to close through the compression forum for that calendar month ("compression-list positions"). Trading Permit Holders may also permit their Clearing Trading Permit Holders or the Clearing Corporation to submit a list of these positions to the Exchange on their behalf.

(2) Prior to the open of Regular Trading Hours on the last business day, second to last business day, and third to last business day of each calendar month, the Exchange will make available to all Trading Permit Holders a list including the size of the offsetting compression-list positions (including all possible combinations of offsetting multi-leg positions) in each series (and multi-leg position) for which both long and short compression-list positions have been submitted to the Exchange ("compression-list positions file").

(3) – (6) (No change).

(b) – (c) (No change).

* * * * *

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange's President (or designee) pursuant to delegated authority approved the proposed rule change on February 12, 2018.

(b) Please refer questions and comments on the proposed rule change to Joanne Moffic-Silver, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7462, or Kyle Edwards, (312) 786-7304, Cboe Exchange, Inc., 400 South LaSalle, Chicago, Illinois 60605.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The Exchange proposes to amend rule 6.56 (Compression Forums) to modify the frequency with which Trading Permit Holders ("TPHs") may submit compression-list positions to the Exchange.

Currently, TPHs may submit lists of existing SPX positions to the Exchange that they wish to close during a compression forum ("compression-list positions") by submitting such positions to the Exchange prior to 4:30 p.m. Chicago time on the fourth to last business day of each calendar month.¹ Following the submission of compression-list positions and prior to the open of Regular Trading Hours on the third to last business day of each calendar month, the Exchange makes available to all TPHs a list including the size of the offsetting compression-list positions (including all possible combinations of offsetting multi-leg positions) in each series (and multi-leg position) for which both long and short compression-list positions have been submitted to the Exchange ("compression-list positions file").² In

¹ See Rule 6.56. (a)(1).

² See Rule 6.56(a)(2).

addition to making the compression-list positions file available to all TPHs, the Exchange: 1) distributes the compress-list positions file to TPHs that submitted compression-list positions;³ 2) distributes an individualized list of multi-leg positions (“multi-leg positions file”) to each TPH that submitted compression-list positions;⁴ and 3) facilitates a process by which a TPH may grant the Exchange permission to share the TPH’s identity with contra-party TPHs that have offsetting multi-leg positions.⁵

As previously noted, TPH compression-list positions are due by 4:30 p.m. Chicago time on the fourth to last business day of each calendar month. Thus, compression-list positions submitted by TPHs and the subsequent files and information generated from the compression-list positions cannot account for positions that have been opened or closed on the last three business days of the month (i.e., after the current submission deadline). Therefore, the Exchange proposes to amend Rule 6.56 to allow TPHs to also submit compression-list positions to the Exchange prior to 4:30 p.m. Chicago time on the second and third to last business days of each calendar month. The Exchange believes that allowing TPHs to reassess their positions at the end of the second and third to last business day of each calendar month – and submit compression list positions by 4:30 p.m. Chicago time on those days – will allow TPHs to more efficiently and effectively close open positions during compression forums.

The Exchange notes that it is not proposing to modify the process by which the Exchange utilizes compression-list positions to generate files. The Exchange will simply perform those processes three times instead of once. For example, from the compression-list

³ See Rule 6.56(a)(3).

⁴ See Rule 6.56(a)(4).

⁵ See Rule 6.56(a)(5).

positions submitted prior to 4:30 p.m. Chicago time on the fourth to last business day, the Exchange will generate and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information are likely to be used by TPHs in the compression forum that occurs on the third to last business day. From the compression-list positions submitted prior to 4:30 p.m. Chicago time on the third to last business day, the Exchange will generate and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information are likely to be used by TPHs in the compression forum that occurs on the second to last business day. Finally, from the compression-list positions submitted prior to 4:30 p.m. Chicago time on the second to last business day, the Exchange will generate and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information is likely to be used by TPHs in the compression forum that occurs on the last business day. The Exchange notes that if, for example, a TPH submits compression-list positions on the fourth to last business day but not on the second or third to last business day, the compression-list positions submitted on the fourth to last business day will be used in the first file generation process, not each time the Exchange generates files. In short, each time the Exchange runs its file generation process the Exchange processes only the compression-list positions specific to each deadline (i.e., all compression list positions submitted prior to 4:30 p.m. Chicago time on the fourth to last business day of the calendar month are processed together; all compression list positions submitted prior to 4:30 p.m. Chicago time on the third to last business day of the calendar month are processed together; and so on).

The proposed rule change will allow TPHs to submit to the Exchange more accurate information regarding their open positions in order to facilitate the generation of a more

accurate assessment of potential offsetting interest, specifically, on the second and third to last business days of the calendar month. Giving TPHs a more accurate assessment of potential offsetting interest allows TPHs to more efficiently and effectively execute closing transactions in compression forums on the last business day and the second to last business day of the calendar month. The ability to more efficiently and effectively execute closing transactions in compression forums helps to alleviate the adverse impact of bank capital requirements.

(b) 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.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ 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)⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

⁸ Id.

In particular, the proposed rule change will allow TPHs to submit to the Exchange more accurate information regarding their open positions in order to facilitate the generation of a more accurate assessment of potential offsetting interest, specifically, on the second and third to last business days of the calendar month. Giving TPHs a more accurate assessment of potential offsetting interest allows TPHs to more efficiently and effectively execute closing transactions in compression forums on the last business day and the second to last business day of the calendar month, which, in general, helps to protect investors and the public interest because closing positions via the compression process serves to alleviate the adverse impact of bank capital requirements.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

Cboe Options 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 proposed change would encourage the closing of positions, which, once closed, may serve to alleviate the capital requirement constraints on TPHs and improve overall market liquidity by freeing capital currently tied up in certain SPX positions. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change applies only to the trading of SPX options, which are exclusively-listed on Cboe Options. To the extent that the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are eligible to participate through Cboe Options TPHs. Furthermore, participation in compression forums is completely voluntary and open to all TPHs.

Item 5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act⁹ and Rule 19b-4(f)(6)¹⁰ thereunder.

(b) The Exchange designates that the proposed rule change effects a change that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of 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 proposed rule change is not novel or controversial. The Exchange is not proposing any modification to the type of information TPHs submit to the Exchange pursuant to Rule 6.56 nor modifying the manner by which the Exchange generates files

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(6).

and information pursuant to Rule 6.56. Rather, the Exchange is simply modifying the frequency with which TPHs may submit compression-list positions to the Exchange and the frequency with which the Exchange will process compression-list positions. Furthermore, the proposed rule change will allow TPHs to submit to the Exchange more accurate information regarding their open positions in order to facilitate the generation a more accurate assessment of potential offsetting interest, specifically, on the second and third to last business days of the calendar month. Giving TPHs a more accurate assessment of potential offsetting interest allows TPHs to more efficiently and effectively execute closing transactions in compression forums on the last business day and the second to last business day of the calendar month, which, in general, helps to protect investors and the public interest because closing positions via the compression process serves to alleviate the adverse impact of bank capital requirements.

For the foregoing reasons, this rule filing qualifies as a “non-controversial” rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved. The Exchange respectfully requests that the Commission waive the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective. The Exchange understands that bank-imposed capital limits are increasingly impacting

the amount of liquidity TPHs, including Market-Makers, are able to provide in SPX options. The January 2018 compression forum had more volume than previous compression forums, indicating that demand for compression is increasing. The Exchange believes the proposed rule change will help facilitate the closing of SPX options positions, and, thus, help alleviate the impact of bank capital regulations. Finally, the proposed rule change is not new or novel, which limits the necessity for a 30 day operative delay.

(c) Not applicable.

(d) Not applicable.

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

Exhibit 1. Completed Notice of Proposed Rule Change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-CBOE-2018-017]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 6.56, Compression Forums

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [insert date], Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend Rule 6.56, Compression Forums.

(additions are underlined; deletions are [bracketed])

* * * * *

**Cboe Exchange, Inc.
Rules**

* * * * *

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

Rule 6.56. Compression Forums

(a)

(1) Prior to 4:30 p.m. Chicago time on the second, third, and fourth to last business day of each calendar month, in a manner and format determined by the Exchange, a Trading Permit Holder may provide the Exchange with a list of open SPX options positions that it would like to close through the compression forum for that calendar month ("compression-list positions"). Trading Permit Holders may also permit their Clearing Trading Permit Holders or the Clearing Corporation to submit a list of these positions to the Exchange on their behalf.

(2) Prior to the open of Regular Trading Hours on the last business day, second to last business day, and third to last business day of each calendar month, the Exchange will make available to all Trading Permit Holders a list including the size of the offsetting compression-list positions (including all possible combinations of offsetting multi-leg positions) in each series (and multi-leg position) for which both long and short compression-list positions have been submitted to the Exchange ("compression-list positions file").

(3) – (6) (No change).

(b) – (c) (No change).

* * * * *

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

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 rule 6.56 (Compression Forums) to modify the frequency with which Trading Permit Holders (“TPHs”) may submit compression-list positions to the Exchange.

Currently, TPHs may submit lists of existing SPX positions to the Exchange that they wish to close during a compression forum (“compression-list positions”) by submitting such positions to the Exchange prior to 4:30 p.m. Chicago time on the fourth to last business day of each calendar month.⁵ Following the submission of compression-list positions and prior to the open of Regular Trading Hours on the third to last business day of each calendar month, the Exchange makes available to all TPHs a list including the size of the offsetting compression-list positions (including all possible combinations of offsetting multi-leg positions) in each series (and multi-leg position) for which both long and short compression-list positions have been submitted to the Exchange (“compression-list positions file”).⁶ In addition to making the compression-list positions file available to all TPHs, the Exchange: 1) distributes the compress-list positions file to TPHs that submitted compression-list positions;⁷ 2) distributes an individualized list of multi-leg positions (“multi-leg positions file”) to each TPH that submitted compression-list positions;⁸ and 3) facilitates a process by

⁵ See Rule 6.56. (a)(1).

⁶ See Rule 6.56(a)(2).

⁷ See Rule 6.56(a)(3).

⁸ See Rule 6.56(a)(4).

which a TPH may grant the Exchange permission to share the TPH's identity with contra-party TPHs that have offsetting multi-leg positions.⁹

As previously noted, TPH compression-list positions are due by 4:30 p.m. Chicago time on the fourth to last business day of each calendar month. Thus, compression-list positions submitted by TPHs and the subsequent files and information generated from the compression-list positions cannot account for positions that have been opened or closed on the last three business days of the month (i.e., after the current submission deadline).

Therefore, the Exchange proposes to amend Rule 6.56 to allow TPHs to also submit compression-list positions to the Exchange prior to 4:30 p.m. Chicago time on the second and third to last business days of each calendar month. The Exchange believes that allowing TPHs to reassess their positions at the end of the second and third to last business day of each calendar month – and submit compression list positions by 4:30 p.m. Chicago time on those days – will allow TPHs to more efficiently and effectively close open positions during compression forums.

The Exchange notes that it is not proposing to modify the process by which the Exchange utilizes compression-list positions to generate files. The Exchange will simply perform those processes three times instead of once. For example, from the compression-list positions submitted prior to 4:30 p.m. Chicago time on the fourth to last business day, the Exchange will generate and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information are likely to be used by TPHs in the compression forum that occurs on the third to last business day. From the compression-list positions submitted prior to 4:30 p.m. Chicago time on the third to last business day, the Exchange will generate

⁹ See Rule 6.56(a)(5).

and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information are likely to be used by TPHs in the compression forum that occurs on the second to last business day. Finally, from the compression-list positions submitted prior to 4:30 p.m. Chicago time on the second to last business day, the Exchange will generate and distribute the files and information described in Rule 6.56(a)(2)-(5), and such files and information is likely to be used by TPHs in the compression forum that occurs on the last business day. The Exchange notes that if, for example, a TPH submits compression-list positions on the fourth to last business day but not on the second or third to last business day, the compression-list positions submitted on the fourth to last business day will be used in the first file generation process, not each time the Exchange generates files. In short, each time the Exchange runs its file generation process the Exchange processes only the compression-list positions specific to each deadline (i.e., all compression list positions submitted prior to 4:30 p.m. Chicago time on the fourth to last business day of the calendar month are processed together; all compression list positions submitted prior to 4:30 p.m. Chicago time on the third to last business day of the calendar month are processed together; and so on).

The proposed rule change will allow TPHs to submit to the Exchange more accurate information regarding their open positions in order to facilitate the generation of a more accurate assessment of potential offsetting interest, specifically, on the second and third to last business days of the calendar month. Giving TPHs a more accurate assessment of potential offsetting interest allows TPHs to more efficiently and effectively execute closing transactions in compression forums on the last business day and the second to last business day of the calendar month. The ability to more efficiently and effectively execute closing

transactions in compression forums helps to alleviate the adverse impact of bank capital requirements.

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.¹⁰ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹¹ 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)¹² requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule change will allow TPHs to submit to the Exchange more accurate information regarding their open positions in order to facilitate the generation of a more accurate assessment of potential offsetting interest, specifically, on the second and third to last business days of the calendar month. Giving TPHs a more accurate assessment of potential offsetting interest allows TPHs to more efficiently and

¹⁰ 15 U.S.C. 78f(b).

¹¹ 15 U.S.C. 78f(b)(5).

¹² Id.

effectively execute closing transactions in compression forums on the last business day and the second to last business day of the calendar month, which, in general, helps to protect investors and the public interest because closing positions via the compression process serves to alleviate the adverse impact of bank capital requirements.

B. Self-Regulatory Organization's Statement on Burden on Competition

Cboe Options 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 proposed change would encourage the closing of positions, which, once closed, may serve to alleviate the capital requirement constraints on TPHs and improve overall market liquidity by freeing capital currently tied up in certain SPX positions. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change applies only to the trading of SPX options, which are exclusively-listed on Cboe Options. To the extent that the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are eligible to participate through Cboe Options TPHs. Furthermore, participation in compression forums is completely voluntary and open to all TPHs.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

Because the foregoing proposed rule change does not:

A. significantly affect the protection of investors or the public interest;

B. impose any significant burden on competition; and

C. 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 Act¹³ and Rule 19b-4(f)(6)¹⁴ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2018-017 on the subject line.

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6).

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-2018-017. This file number should be included on the subject line if e-mail 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 (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, D.C. 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2018-017 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

¹⁵ 17 CFR 200.30-3(a)(12).

Secretary