

1. Text of the Proposed Rule Change

(a) MEMX LLC (“MEMX” or the “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (the “Commission”) a proposal to amend Rule 19.3 to permit the listing of options on certain Commodity-Based Trust Shares (as defined below). The Exchange has designated this proposal as non-controversial pursuant to Section 19(b)(3)(A) of the Act³ and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) thereunder.⁴

A notice of the proposed rule change for publication in the Federal Register is provided as Exhibit 1. The text of the proposed rule change is provided in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by Exchange staff pursuant to authority delegated to it by the Board of Directors of the Exchange (the “Board”). Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the proposed rule change.

The persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Anders Franzon
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¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

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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 19.3 regarding the criteria for underlying securities. Specifically, the Exchange proposes to amend Rule 19.3(i) to allow the Exchange to list and trade options on Fund Shares⁵ that represent interests in a Commodity-Based Trust that meets the generic criteria of the U.S. securities exchange that is the primary equities listing market for the Commodity-Based Trust, except that the

⁵ Rule 19.3(i) states that securities deemed appropriate for options trading shall include shares or other securities ("Fund Shares"), including but not limited to Partnership Units as defined in this Rule, that are principally traded on a national securities exchange and are defined as an "NMS stock" under Rule 600 of Regulation NMS, and that (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities, and that hold portfolios of securities comprising or otherwise based on or representing investments in indexes or portfolios of securities (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities) ("Funds") and/or financial instruments including, but not limited to, stock index futures contracts, options on futures, options on securities and indexes, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the "Financial Instruments"), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the "Money Market Instruments") constituting or otherwise based on or representing an investment in an index or portfolio of securities and/or Financial Instruments and Money Market Instruments, or (2) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and /or nonU.S. currency ("Commodity Pool ETFs") or (3) represent interests in a trust or similar entity that holds a specified non- U.S. currency or currencies deposited with the trust or similar entity when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust ("Currency Trust Shares"), or (4) represent interests in the SPDR Gold Trust or are issued by the iShares COMEX Gold Trust, the iShares Silver Trust, abrdn Standard Physical Silver Trust, arbdn Standard Physical Gold Trust, abrdn Standard Physical Palladium Trust, abrdn Standard Physical Platinum Trust, Sprott Physical Gold Trust, Goldman Sachs Physical Gold ETF, iShares Bitcoin Trust, Fidelity Wise Origin Bitcoin Fund, ARK 21Shares Bitcoin ETF, Grayscale Bitcoin Trust, Grayscale Bitcoin Mini Trust, Bitwise Bitcoin ETF, iShares Ethereum Trust, Fidelity Ethereum Fund, Grayscale Ethereum Trust ETF, Grayscale Ethereum Mini Trust ETF, or the Bitwise Ethereum ETF.

Commodity-Based Trust holds a single crypto asset that meets the following requirements: (i) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (ii) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the Intermarket Surveillance Group (“ISG”). For purposes of this section of the Rule, the term “crypto asset” means an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as “tokens,” “digital assets,” “virtual currencies,” and “coins” and that relies on cryptographic protocols.

This is a competitive filing substantively identical to a proposal submitted by another options exchange that has recently been deemed approved by the Commission.⁶

The proposed rule change would require a Commodity-Based Trust to: (1) meet the generic criteria of a U.S. equities listing exchange⁷ and hold only a single crypto

⁶ SR-ISE-2025-08 Amendment 1 was deemed approved as of October 24, 2025. See Securities Exchange Act Release No. 104210 (November 18, 2025) 90 FR 52727 (November 21, 2025) (SR-ISE-2025-08) (Self-Regulatory Organizations; BOX Exchange LLC, Cboe Exchange, Inc., Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGX Exchange, Inc., Miami International Securities Exchange, LLC, MIAX PEARL, LLC, MIAX Sapphire, LLC, Nasdaq ISE, LLC, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE National, Inc., and NYSE Texas, Inc.; Notice of Deemed Approval of Various Proposed Rule Changes); see also Securities Exchange Act Release No. 102465 (February 20, 2025), 90 FR 10740 (February 26, 2025) (SR-ISE-2025-08 Amendment 1) (Notice of Filing of Proposed Rule Change to Adopt Listing Criteria for Options on a Commodity-Based Trust), which was filed on September 26, 2025, available here: <https://www.sec.gov/comments/sr-ise-2025-08/srise202508-663507-1981074.pdf>

⁷ A Commodity-Based Trust is defined in Cboe BZX Exchange, Inc. 14.11(e)(4), NYSE Arca, Inc. Rule 8.201(c)(1), and The Nasdaq Stock Market LLC Rule 5711(d)(iv) (the three current U.S. equities exchanges that serve as primary listing markets) as a security (a) that is issued by a trust (“Trust”) that holds (1) a specified commodity deposited with the Trust, or (2) a specified commodity and, in addition to such specified commodity, cash; (b) that is issued by such Trust in

asset;⁸ (2) meet the criteria and guidelines set forth in Rule 19.3(a)⁹ and (b),¹⁰ or Rule 19.3(i)(1)(B);¹¹ and (3) meet the requirements of proposed Rule 19.3(i)(5), which are as follows: (A) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (B) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG. The market value of the underlying crypto asset will be calculated by taking the total global supply of the particular crypto asset multiplied by the

a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity and/or cash; and (c) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such Trust which will deliver to the redeeming holder the quantity of the underlying commodity and/or cash ("Commodity-Based Trust Share").

- ⁸ The proposed rule change defines a "crypto asset" to mean, for purposes of proposed Rule 19.3(i)(5), an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as "tokens," "digital assets," "virtual currencies," and "coins" and that relies on cryptographic protocols
- ⁹ Pursuant to Rule 19.3(a), a security (which includes an ETF/Fund Share) on which options may be listed and traded on the Exchange must be duly registered (with the Commission) and be an NMS stock (as defined in Rule 600 of Regulation NMS under the Securities Exchange Act of 1934, as amended (the "Act")), and be characterized by a substantial number of outstanding shares that are widely held and actively traded.
- ¹⁰ Rule 19.3(b) provides criteria and guidelines when evaluating potential underlying securities for the listing of options.
- ¹¹ Rule 19.3(i)(1)(B) provides that the Fund Shares be available for creation or redemption each business day from or through the issuer in cash or in kind at a price related to net asset value, and the issuer must be obligated to issue Fund Shares in a specified aggregate number even if some or all of the investment assets required to be deposited have not been received by the issuer, subject to the condition that the person obligated to deposit the investments has undertaken to deliver the investment assets as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer, as provided in the respective prospectus.

token price.¹² Total supply of crypto assets includes all crypto assets currently issued and does not include unissued crypto assets.¹³

Further, the Exchange has specified in proposed Rule 19.3(i)(5) that the crypto asset held by the Commodity-Based Trust must underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.¹⁴ The Exchange will be required to ensure that this requirement is met prior to listing options on a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5).

As a result of this proposal, the proposed listing criteria would permit a Commodity-Based Trust that (a) is generically listed on a U.S. securities exchange that is the primary equities listing market for the Commodities-Based Trust and (b) holds a single crypto asset to qualify for the listing of options on that ETF, provided proposed Rule 19.3(i)(5) has also been met, as well as the listing criteria in Rule 19.3(a) and (b) or Rule 19.3(i)(1)(B).

Similar to options on any ETF, an option on a Commodity-Based Trust that meets the requirements of proposed Rule 19.3(i)(5) would also be subject to the Exchange's delisting requirements set forth in Rule 19.4(g) for Fund Shares approved for options trading pursuant to Rule 19.3(i). Rule 19.4(g) provides that Fund Shares approved for

¹² The market supply information can be obtained from publicly available sources such as coingecko.com or coinmarketcap.com

¹³ For example, if Bitcoin were the underlying crypto asset, the Exchange would consider the total supply of all Bitcoin currently issued instead of the maximum supply, which would be currently issued as well as unminted Bitcoin. As of November 4, 2025, Bitcoin's total supply was 19,944,128 (the maximum supply was 21,000,000). See <https://www.coingecko.com/en/coins/bitcoin>. The Exchange would calculate market value by utilizing the total supply number multiplied by the Bitcoin price on that day.

¹⁴ For a list of the current members of ISG, see <https://isgportal.org/public-members>.

options trading pursuant to Rule 19.3 will not be deemed to meet the requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Fund Shares if the security is delisted from trading as provided in Rule 19.4(b)(4) (i.e., the underlying security ceases to be an “NMS stock” as defined in Rule 600 of Regulation NMS under the Act). In addition, the Exchange shall consider suspension of opening transactions in any series of options of the class covering Fund Shares in any of the following circumstances: in the case of options covering Fund Shares approved pursuant to Rule 19.3(i)(4)(A), in accordance with Rule 19.4(b)(1), (2), and (3); (2) in the case of options covering Fund Shares approved pursuant to Rule 19.3(i)(4)(B), following the initial 12-month period beginning upon the commencement of trading in the Fund Shares on a national securities exchange and are defined as NMS stock under Rule 600 of Regulation NMS, there were fewer than 50 record and/or beneficial holders of such Fund Shares for 30 consecutive days; (3) the value of the index, non-U.S. currency, portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or Financial Instruments or Money Market Instruments, or portfolio of securities on which the Fund Shares are based is no longer calculated or available; or (4) such other event occurs or condition exists that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

Consistent with current Rule 19.5, which governs the opening of options series on a specific underlying security (including ETFs), the Exchange will open at least one

expiration month and one series of options on a Commodity-Based Fund Share¹⁵ at the commencement of trading on the Exchange and may also list series of options on a Commodity-Based Fund Share for trading on a weekly,¹⁶ monthly,¹⁷ or quarterly basis.¹⁸ The Exchange may also list long-term options series that expire from 12 to 39 months from the time they are listed.¹⁹

Pursuant to Rule 19.5, Interpretation and Policy .01, which governs strike prices of series of options on Fund Shares, the interval of strike prices for series of options on Commodity-Based Fund Shares may be \$1 or greater where the strike price is \$200 or less or \$5 or greater where the strike price is over \$200.²⁰ Additionally, the Exchange may list series of options pursuant to the \$1 Strike Price Interval Program,²¹ the \$0.50

¹⁵ See Rule 19.5(b) and (e). The monthly expirations are subject to certain listing criteria for underlying securities described within Rule 19.3. Monthly listings expire the third Friday of the month. The term “expiration date” (unless separately defined elsewhere in the OCC By-Laws), when used in respect of an option contract (subject to certain exceptions), means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. See OCC By-Laws Article I, Section 1. Pursuant to Rule 19.5(c), additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. New series of options on an individual stock may be added until the beginning of the month in which the options contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add a new series of options on an individual stock until the close of trading on the business day prior to expiration.

¹⁶ See Rule 19.5, Interpretation and Policy .05.

¹⁷ See Rule 19.5, Interpretation and Policy .08.

¹⁸ See Rule 19.5, Interpretation and Policy .04.

¹⁹ See Rule 19.7.

²⁰ The Exchange notes that for options listed pursuant to the Short Term Option Series Program, Rule 19.5, Interpretation and Policy .08 sets forth intervals between strike prices on Short Term Option Series.

²¹ See Rule 19.5, Interpretations and Policies .01 and .02.

Strike Program,²² the \$2.50 Strike Price Program,²³ and the \$5 Strike Program.²⁴ Pursuant to Rule 21.5, where the price of a series of a Commodity-Based Fund Share option is less than \$3.00, the minimum increment will be \$0.05, and where the price is \$3.00 or higher, the minimum increment will be \$0.10.²⁵ Any and all new series of Commodity-Based Fund Share options that the Exchange lists will be consistent and comply with the expirations, strike prices, and minimum increments set forth in Rules 19.5 and 21.5, as applicable.

Options on a Commodity-Based Trust that may be listed pursuant to proposed Rule 19.3(i)(5) will trade in the same manner as options on other ETFs on the Exchange. The Exchange Rules that currently apply to the listing and trading of all Fund Share 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 options on Commodity-Based Trust Shares on the Exchange in the same manner as they apply to other options on all other Fund Shares that are listed and traded on the Exchange.

Position and exercise limits for options, including options on a Commodity-Based Trust Share, are determined pursuant to Rules 18.7 and 18.9, respectively. Position and exercise limits for options on ETFs vary according to the number of outstanding shares

²² See Rule 19.5, Interpretation and Policy .06.

²³ See Rule 19.5, Interpretation and Policy .03.

²⁴ See Rule 19.5(d)(5).

²⁵ If options on a Commodity-Based Fund Share are eligible to participate in the Penny Interval Program, the minimum increment will be \$0.01 for series with a price below \$3.00 and \$0.05 for series with a price at or above \$3.00. See 21.5(d) (which describes the requirements for the Penny Interval Program).

and the trading volumes of the underlying security over the past six months, where the largest in capitalization and the most frequently traded funds have an option position and exercise limit of 250,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market; and smaller capitalization funds have position and exercise limits of 200,000, 75,000, 50,000 or 25,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market.²⁶ Further, the Exchange notes that Rule 28.3, which governs margin requirements applicable to the trading of all options on the Exchange, including options on ETFs, will also apply to the trading of options on a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5).

The Exchange represents it has an adequate surveillance program in place for options and intends to apply those same program procedures to options on Commodity-Based Trusts that may be listed pursuant to proposed Rule 19.3(i)(5) that it applies to the Exchange's other options products.²⁷ The Exchange believes that existing surveillance procedures are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading the proposed options on Commodity-Based Trusts. 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, 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

²⁶ See Exchange Rules 18.7 and 18.9.

²⁷ 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).

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.²⁸ Further, the Exchange will implement any new surveillance procedures it deems necessary to effectively monitor the trading of options on Commodity-Based Trusts pursuant to proposed Rule 19.3(i)(5).

The Exchange has also analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority (“OPRA”) have the necessary systems capacity to handle the additional traffic associated with the listing of new series of options on ETFs, including on Commodity-Based Trusts pursuant to proposed Rule 19.3(i)(5), up to the number of expirations currently permissible under the Rules. The Exchange believes any additional traffic generated from the trading of options on Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) would be manageable. The Exchange represents that Exchange members will not have a capacity issue as a result of this proposed rule change.

Further, quotation and last sale information for Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) is available via the Consolidated Tape Association (“CTA”) high speed line. Quotation and last sale information for such securities is also available from the exchange on which such securities are listed. Quotation and last sale

²⁸ 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.

information for options on Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) will be available via OPRA²⁹ and major market data vendors. Finally, the Exchange currently lists options on Fund Shares that would qualify for listing as an option a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5),³⁰ and it has not identified any issues with the listing of options on those ETFs.

b. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.³¹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)³² 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

²⁹ Last sale reports and quotations are the core of the information that OPRA disseminates. OPRA also disseminates certain other types of information with respect to the trading of options on the markets of the OPRA participants, such as the number of options contracts traded, open interest and end of day summaries. OPRA also disseminates certain kinds of administrative messages.

³⁰ The following Fund Shares currently have options listed on them on the Exchange: the Fidelity Wise Origin Bitcoin Fund, the ARK 21Shares Bitcoin ETF, the iShares Bitcoin Trust, the Fidelity Ethereum Fund; the Grayscale Bitcoin Trust, the Grayscale Bitcoin Mini Trust, the Bitwise Bitcoin ETF, the Bitwise Ethereum ETF, the Grayscale Ethereum Trust, the Grayscale Ethereum Mini Trust, and the iShares Ethereum Trust.

³¹ 15 U.S.C. 78f(b).

³² 15 U.S.C. 78f(b)(5).

proposed rule change is consistent with the Section 6(b)(5)³³ 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 the proposal will remove impediments to and perfect the mechanism of a free and open market and a national market system because it would allow the Exchange to immediately list and trade options on Commodity-Based Trusts, provided the initial listing criteria has been met, without requiring additional approvals from the Commission.

Specifically, the Exchange's proposed rule change allows the listing and trading of options on Fund Shares that represent interests in a Commodity-Based Trust and meet the criteria proposed and discussed herein. Listing these options will avail market participants of the opportunity to hedge their positions in the Commodity-Based Trusts in a timely manner, thereby providing investors with the ability to hedge their exposure to the underlying Commodity-Based Trust. Options on Commodity-Based Trusts benefits investors, similar to the listing of any other option on an ETF, by providing investors with a relatively lower-cost risk management tool to manage their positions and associated risk in their portfolios more easily in connection with exposure to the price of a crypto asset. Additionally, listing options on Commodity-Based Trusts provides investors with the ability to transact in such options on a listed market as opposed to the over-the-counter ("OTC") options market, which increases market transparency and enhances the process of price discovery to the benefit of all investors.

³³ Id.

Also, this proposal would permit options on certain Commodity-Based Trusts to be listed on the Exchange in the same manner as options on ETFs that are subject to the current listing criteria in Rule 19.3(i). The Exchange notes that the majority of ETFs are able to list and trade options once the initial listing criteria have been met without the need for additional approvals. The proposed rule change would allow options on certain Commodity-Based Trusts to likewise list and trade once the proposed listing criteria have been met without the need for additional approvals.

As proposed, the Exchange would list options on a Commodity-Based Trust that met the generic criteria of the U.S. equities exchange that is the primary listing market for the Commodity-Based Trust, provided the Commodity-Based Trust held only a single crypto asset and satisfied the conditions in proposed Rule 19.3(i)(5). Specifically, a Commodity-Based Trust that met the requirements of proposed Rule 19.3(i)(5) would also have to satisfy the following requirements in proposed Rule 19.3(i)(5): (A) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (B) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG.

These requirements are consistent with the Act and the protection of investors as they should ensure that the underlying ETF has sufficient liquidity prior to listing options, which will serve to prevent disruption to the underlying market. The Exchange believes that market supply serves as a good measure of liquidity to prevent the addition of options trading on the Commodity-Based Trust from disrupting the market for the

underlying security. Requiring the underlying crypto asset to have a requisite amount of deliverable supply, in addition to all the other criteria the ETF is required to have under the rules of the primary equities listing market for the ETF, should ensure adequate liquidity prior to listing. Further, ensuring the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG, will provide the Exchange with information to adequately surveil options on qualifying Commodity-Based Trusts. Today, the Exchange has a comprehensive surveillance sharing agreement in place with both the CME and Coinbase Derivatives through its common membership in ISG. This facilitates the sharing of information that is available to the CME and Coinbase Derivatives through their surveillance of their respective markets, including their surveillance of their respective digital asset futures markets.

The Exchange also believes the proposed rule change will remove impediments to and perfect the mechanism of a free and open market and a national market system, because it is consistent with current Exchange Rules, previously filed with the Commission. Options on qualifying Commodity-Based Trusts must satisfy the initial listing standards and continued listing standards currently in the Exchange Rules, applicable to options on all ETFs, including ETFs that hold other crypto assets already deemed appropriate for options trading on the Exchange in addition to the proposed criteria. Options on qualifying Commodity-Based Trusts would trade in the same manner as any other ETF options — the same Exchange Rules that currently govern the listing and trading of all ETF options, including permissible expirations, strike prices and

minimum increments, and applicable position and exercise limits and margin requirements, will govern the listing and trading of options on qualifying Commodity-Based Trusts. The Exchange represents that it has the necessary systems capacity to support the listing and trading of options on qualifying Commodity-Based Trusts. The Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading of these options on Commodity-Based Trusts, particularly in light of the additional requirement that the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.

Finally, today, the Exchange lists and trades options on ETFs that would qualify for listing as an option on a Commodity-Based Trust under proposed Rule 19.3(i)(5),³⁴ and it has not identified any issues with the listing and trading of options on those ETFs.

4. 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. Options on qualifying Commodity-Based Trusts would need to satisfy the initial listing standards set forth in the Exchange Rules in the same manner as any other ETF before the Exchange could list options on them. Additionally, options on qualifying Commodity-Based Trusts will be equally available to all market participants who wish to trade such options. The Rules currently applicable to the listing and trading of options on

³⁴ See supra note 30.

ETFs on the Exchange will apply in the same manner to the listing and trading of all options on qualifying Commodity-Based Trusts. Additionally, the Exchange notes that listing and trading options on qualifying Commodity-Based Trusts on the Exchange will subject such options to transparent exchange-based rules as well as price discovery and liquidity, as opposed to alternatively trading such options in the OTC market. The Exchange believes that the proposed rule change may relieve any burden on, or otherwise promote, competition as it is designed to increase competition for order flow on the Exchange in a manner that is beneficial to investors by providing them with a lower-cost option to hedge their investment portfolios in a timely manner. The Exchange does not believe the proposal will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as nothing prevents the other options exchanges from proposing similar rules to list and trade options on Commodity-Based Trust Shares. Other options exchanges are free to amend their listing rules, as applicable, to permit them to list and trade options on Commodity-Based Trusts. As noted herein, a substantively identical proposal submitted by another options exchange has recently been deemed approved by the Commission.³⁵

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.

6. Extension of Time Period for Commission Action

Not applicable.

³⁵ See supra note 6.

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

The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act³⁶ and Rule 19b-4(f)(6)³⁷ thereunder. The Exchange has designated this proposal as one that effects a change that rule does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days from the date on which it was filed, 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 substantively identical to a proposal by Nasdaq ISE that was recently deemed approved by the Commission.³⁸ The Exchange believes that this proposed rule change, which is essential for competitive purposes and to promote a free and open market for the benefit of investors, does not raise any new, unique or substantive issues from those raised in the Nasdaq ISE filing.

³⁶ 15 U.S.C. 78s(b)(3)(A).

³⁷ 17 CFR 240.19b-4(f)(6).

³⁸ See supra note 6.

Therefore, the Exchange believes that the proposed rule change is well-suited for, and meets the standards applicable to, the Commission's treatment of non-controversial proposals under Section 19(b)(3)(A) of the Act³⁹ and Rule 19b-4(f)(6) thereunder.⁴⁰ Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file a 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. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁴¹ normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)⁴² permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

The Exchange respectfully requests that the Commission waive the 30-day operative delay, so that the proposed rule change may become immediately operative pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(6) thereunder. Waiver of the operative delay will allow the Exchange to immediately implement the proposed rule change upon its filing with the Commission, allowing the Exchange to immediately provide investors an additional source of liquidity for options on qualifying Commodity-Based Trusts that meet the applicable criteria. The Exchange believes that a waiver of the operative delay would be consistent with the protection of investors and the public interest because the Exchange believes that most, if not all, other competing exchanges filed to list (or plan to file to list) options on the Commodity-Based Trusts subject to this proposal, effective

³⁹ 15 U.S.C. 78s(b)(3)(A).

⁴⁰ 17 CFR 240.19b-4(f)(6).

⁴¹ Id.

⁴² Id.

immediately. The requested waiver would, therefore, allow the Exchange to immediately compete with other options exchanges for options order flow based on this filing.

Investors and the public interest will benefit by the trading of these option contracts on additional exchanges, via increased price competition. Accordingly, the proposed waiver does not give rise to any novel investor protection concerns, as the Exchange's listing rules for these products are substantially similar to the listing exchange's rules for such products, which has been subject to Commission review and approval.⁴³

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.

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

The proposed rule change is substantively identical to a proposed rule change of Nasdaq ISE, which was recently deemed approved by the Commission.⁴⁴

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

Not applicable.

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

Not applicable.

⁴³ See supra note 6.

⁴⁴ Id.

11. Exhibits

Exhibit 1. Form of Notice of the Proposed Rule Change for Publication in the Federal Register.

Exhibit 5. Text of Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-MEMX-2026-01]
[Insert date]

Self-Regulatory Organizations; MEMX LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 19.3 to Permit the Listing of Options on Commodity-Based Trust Shares

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], MEMX LLC (“MEMX” or the “Exchange”) 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 is filing with the Commission a proposed rule change to amend Rule 19.3, Criteria for Underlying Securities, to allow the Exchange to list and trade options on Commodity-Based Trust Shares. The text of the proposed rule change is provided in Exhibit 5 and is available on the Exchange’s website at

<https://info.memxtrading.com/regulation/rules-and-filings/>.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Rule 19.3 regarding the criteria for underlying securities. Specifically, the Exchange proposes to amend Rule 19.3(i) to allow the Exchange to list and trade options on Fund Shares⁵ that represent interests in a

⁵ Rule 19.3(i) states that securities deemed appropriate for options trading shall include shares or other securities (“Fund Shares”), including but not limited to Partnership Units as defined in this Rule, that are principally traded on a national securities exchange and are defined as an “NMS stock” under Rule 600 of Regulation NMS, and that (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities, and that hold portfolios of securities comprising or otherwise based on or representing investments in indexes or portfolios of securities (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities) (“Funds”) and/or financial instruments including, but not limited to, stock index futures contracts, options on futures, options on securities and indexes, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the “Financial Instruments”), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the “Money Market Instruments”) constituting or otherwise based on or representing an investment in an index or portfolio of securities and/or Financial Instruments and Money Market Instruments, or (2) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency (“Commodity Pool ETFs”) or (3) represent interests in a trust or similar entity that holds a specified non- U.S. currency or currencies deposited with the trust or similar entity when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust (“Currency Trust Shares”), or (4) represent interests in the SPDR Gold Trust or are issued by the iShares COMEX Gold Trust, the iShares Silver Trust, abrdn

Commodity-Based Trust that meets the generic criteria of the U.S. securities exchange that is the primary equities listing market for the Commodity-Based Trust, except that the Commodity-Based Trust holds a single crypto asset that meets the following requirements: (i) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (ii) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the Intermarket Surveillance Group (“ISG”). For purposes of this section of the Rule, the term “crypto asset” means an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as “tokens,” “digital assets,” “virtual currencies,” and “coins” and that relies on cryptographic protocols.

This is a competitive filing substantively identical to a proposal submitted by another options exchange that has recently been deemed approved by the Commission.⁶

Standard Physical Silver Trust, arbdn Standard Physical Gold Trust, abrdn Standard Physical Palladium Trust, abrdn Standard Physical Platinum Trust, Sprott Physical Gold Trust, Goldman Sachs Physical Gold ETF, iShares Bitcoin Trust, Fidelity Wise Origin Bitcoin Fund, ARK 21Shares Bitcoin ETF, Grayscale Bitcoin Trust, Grayscale Bitcoin Mini Trust, Bitwise Bitcoin ETF, iShares Ethereum Trust, Fidelity Ethereum Fund, Grayscale Ethereum Trust ETF, Grayscale Ethereum Mini Trust ETF, or the Bitwise Ethereum ETF.

⁶ SR-ISE-2025-08 Amendment 1 was deemed approved as of October 24, 2025. See Securities Exchange Act Release No. 104210 (November 18, 2025) 90 FR 52727 (November 21, 2025) (SR-ISE-2025-08) (Self-Regulatory Organizations; BOX Exchange LLC, Cboe Exchange, Inc., Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGX Exchange, Inc., Miami International Securities Exchange, LLC, MIAX PEARL, LLC, MIAX Sapphire, LLC, Nasdaq ISE, LLC, New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE National, Inc., and NYSE Texas, Inc.; Notice of Deemed Approval of Various Proposed Rule Changes); see also Securities Exchange Act Release No. 102465 (February 20, 2025), 90 FR 10740 (February 26, 2025) (SR-ISE-2025-08 Amendment 1) (Notice of Filing of Proposed Rule Change to Adopt Listing Criteria for Options on a Commodity-Based Trust), which was filed on September 26, 2025, available here: <https://www.sec.gov/comments/sr-ise-2025-08/srise202508-663507-1981074.pdf>

The proposed rule change would require a Commodity-Based Trust to: (1) meet the generic criteria of a U.S. equities listing exchange⁷ and hold only a single crypto asset;⁸ (2) meet the criteria and guidelines set forth in Rule 19.3(a)⁹ and (b),¹⁰ or Rule 19.3(i)(1)(B);¹¹ and (3) meet the requirements of proposed Rule 19.3(i)(5), which are as follows: (A) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (B) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG. The market value of the underlying crypto asset will be

⁷ A Commodity-Based Trust is defined in Cboe BZX Exchange, Inc. 14.11(e)(4), NYSE Arca, Inc. Rule 8.201(c)(1), and The Nasdaq Stock Market LLC Rule 5711(d)(iv) (the three current U.S. equities exchanges that serve as primary listing markets) as a security (a) that is issued by a trust (“Trust”) that holds (1) a specified commodity deposited with the Trust, or (2) a specified commodity and, in addition to such specified commodity, cash; (b) that is issued by such Trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity and/or cash; and (c) that, when aggregated in the same specified minimum number, may be redeemed at a holder’s request by such Trust which will deliver to the redeeming holder the quantity of the underlying commodity and/or cash (“Commodity-Based Trust Share”).

⁸ The proposed rule change defines a “crypto asset” to mean, for purposes of proposed Rule 19.3(i)(5), an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as “tokens,” “digital assets,” “virtual currencies,” and “coins” and that relies on cryptographic protocols

⁹ Pursuant to Rule 19.3(a), a security (which includes an ETF/Fund Share) on which options may be listed and traded on the Exchange must be duly registered (with the Commission) and be an NMS stock (as defined in Rule 600 of Regulation NMS under the Securities Exchange Act of 1934, as amended (the “Act”)), and be characterized by a substantial number of outstanding shares that are widely held and actively traded.

¹⁰ Rule 19.3(b) provides criteria and guidelines when evaluating potential underlying securities for the listing of options.

¹¹ Rule 19.3(i)(1)(B) provides that the Fund Shares be available for creation or redemption each business day from or through the issuer in cash or in kind at a price related to net asset value, and the issuer must be obligated to issue Fund Shares in a specified aggregate number even if some or all of the investment assets required to be deposited have not been received by the issuer, subject to the condition that the person obligated to deposit the investments has undertaken to deliver the investment assets as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer, as provided in the respective prospectus.

calculated by taking the total global supply of the particular crypto asset multiplied by the token price.¹² Total supply of crypto assets includes all crypto assets currently issued and does not include unissued crypto assets.¹³

Further, the Exchange has specified in proposed Rule 19.3(i)(5) that the crypto asset held by the Commodity-Based Trust must underlie a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.¹⁴ The Exchange will be required to ensure that this requirement is met prior to listing options on a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5).

As a result of this proposal, the proposed listing criteria would permit a Commodity-Based Trust that (a) is generically listed on a U.S. securities exchange that is the primary equities listing market for the Commodities-Based Trust and (b) holds a single crypto asset to qualify for the listing of options on that ETF, provided proposed Rule 19.3(i)(5) has also been met, as well as the listing criteria in Rule 19.3(a) and (b) or Rule 19.3(i)(1)(B).

Similar to options on any ETF, an option on a Commodity-Based Trust that meets the requirements of proposed Rule 19.3(i)(5) would also be subject to the Exchange's delisting requirements set forth in Rule 19.4(g) for Fund Shares approved for options

¹² The market supply information can be obtained from publicly available sources such as coingecko.com or coinmarketcap.com

¹³ For example, if Bitcoin were the underlying crypto asset, the Exchange would consider the total supply of all Bitcoin currently issued instead of the maximum supply, which would be currently issued as well as unminted Bitcoin. As of November 4, 2025, Bitcoin's total supply was 19,944,128 (the maximum supply was 21,000,000). See <https://www.coingecko.com/en/coins/bitcoin>. The Exchange would calculate market value by utilizing the total supply number multiplied by the Bitcoin price on that day.

¹⁴ For a list of the current members of ISG, see <https://isgportal.org/public-members>.

trading pursuant to Rule 19.3(i). Rule 19.4(g) provides that Fund Shares approved for options trading pursuant to Rule 19.3 will not be deemed to meet the requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Fund Shares if the security is delisted from trading as provided in Rule 19.4(b)(4) (i.e., the underlying security ceases to be an “NMS stock” as defined in Rule 600 of Regulation NMS under the Act). In addition, the Exchange shall consider suspension of opening transactions in any series of options of the class covering Fund Shares in any of the following circumstances: in the case of options covering Fund Shares approved pursuant to Rule 19.3(i)(4)(A), in accordance with Rule 19.4(b)(1), (2), and (3); (2) in the case of options covering Fund Shares approved pursuant to Rule 19.3(i)(4)(B), following the initial 12-month period beginning upon the commencement of trading in the Fund Shares on a national securities exchange and are defined as NMS stock under Rule 600 of Regulation NMS, there were fewer than 50 record and/or beneficial holders of such Fund Shares for 30 consecutive days; (3) the value of the index, non-U.S. currency, portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or Financial Instruments or Money Market Instruments, or portfolio of securities on which the Fund Shares are based is no longer calculated or available; or (4) such other event occurs or condition exists that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

Consistent with current Rule 19.5, which governs the opening of options series on a specific underlying security (including ETFs), the Exchange will open at least one

expiration month and one series of options on a Commodity-Based Fund Share¹⁵ at the commencement of trading on the Exchange and may also list series of options on a Commodity-Based Fund Share for trading on a weekly,¹⁶ monthly,¹⁷ or quarterly basis.¹⁸ The Exchange may also list long-term options series that expire from 12 to 39 months from the time they are listed.¹⁹

Pursuant to Rule 19.5, Interpretation and Policy .01, which governs strike prices of series of options on Fund Shares, the interval of strike prices for series of options on Commodity-Based Fund Shares may be \$1 or greater where the strike price is \$200 or less or \$5 or greater where the strike price is over \$200.²⁰ Additionally, the Exchange may list series of options pursuant to the \$1 Strike Price Interval Program,²¹ the \$0.50

¹⁵ See Rule 19.5(b) and (e). The monthly expirations are subject to certain listing criteria for underlying securities described within Rule 19.3. Monthly listings expire the third Friday of the month. The term “expiration date” (unless separately defined elsewhere in the OCC By-Laws), when used in respect of an option contract (subject to certain exceptions), means the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. See OCC By-Laws Article I, Section 1. Pursuant to Rule 19.5(c), additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. New series of options on an individual stock may be added until the beginning of the month in which the options contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add a new series of options on an individual stock until the close of trading on the business day prior to expiration.

¹⁶ See Rule 19.5, Interpretation and Policy .05.

¹⁷ See Rule 19.5, Interpretation and Policy .08.

¹⁸ See Rule 19.5, Interpretation and Policy .04.

¹⁹ See Rule 19.7.

²⁰ The Exchange notes that for options listed pursuant to the Short Term Option Series Program, Rule 19.5, Interpretation and Policy .08 sets forth intervals between strike prices on Short Term Option Series.

²¹ See Rule 19.5, Interpretations and Policies .01 and .02.

Strike Program,²² the \$2.50 Strike Price Program,²³ and the \$5 Strike Program.²⁴ Pursuant to Rule 21.5, where the price of a series of a Commodity-Based Fund Share option is less than \$3.00, the minimum increment will be \$0.05, and where the price is \$3.00 or higher, the minimum increment will be \$0.10.²⁵ Any and all new series of Commodity-Based Fund Share options that the Exchange lists will be consistent and comply with the expirations, strike prices, and minimum increments set forth in Rules 19.5 and 21.5, as applicable.

Options on a Commodity-Based Trust that may be listed pursuant to proposed Rule 19.3(i)(5) will trade in the same manner as options on other ETFs on the Exchange. The Exchange Rules that currently apply to the listing and trading of all Fund Share 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 options on Commodity-Based Trust Shares on the Exchange in the same manner as they apply to other options on all other Fund Shares that are listed and traded on the Exchange.

Position and exercise limits for options, including options on a Commodity-Based Trust Share, are determined pursuant to Rules 18.7 and 18.9, respectively. Position and exercise limits for options on ETFs vary according to the number of outstanding shares

²² See Rule 19.5, Interpretation and Policy .06.

²³ See Rule 19.5, Interpretation and Policy .03.

²⁴ See Rule 19.5(d)(5).

²⁵ If options on a Commodity-Based Fund Share are eligible to participate in the Penny Interval Program, the minimum increment will be \$0.01 for series with a price below \$3.00 and \$0.05 for series with a price at or above \$3.00. See 21.5(d) (which describes the requirements for the Penny Interval Program).

and the trading volumes of the underlying security over the past six months, where the largest in capitalization and the most frequently traded funds have an option position and exercise limit of 250,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market; and smaller capitalization funds have position and exercise limits of 200,000, 75,000, 50,000 or 25,000 contracts (with adjustments for splits, re-capitalizations, etc.) on the same side of the market.²⁶ Further, the Exchange notes that Rule 28.3, which governs margin requirements applicable to the trading of all options on the Exchange, including options on ETFs, will also apply to the trading of options on a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5).

The Exchange represents it has an adequate surveillance program in place for options and intends to apply those same program procedures to options on Commodity-Based Trusts that may be listed pursuant to proposed Rule 19.3(i)(5) that it applies to the Exchange's other options products.²⁷ The Exchange believes that existing surveillance procedures are designed to deter and detect possible manipulative behavior which might potentially arise from listing and trading the proposed options on Commodity-Based Trusts. 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, 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

²⁶ See Exchange Rules 18.7 and 18.9.

²⁷ 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).

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.²⁸ Further, the Exchange will implement any new surveillance procedures it deems necessary to effectively monitor the trading of options on Commodity-Based Trusts pursuant to proposed Rule 19.3(i)(5).

The Exchange has also analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority (“OPRA”) have the necessary systems capacity to handle the additional traffic associated with the listing of new series of options on ETFs, including on Commodity-Based Trusts pursuant to proposed Rule 19.3(i)(5), up to the number of expirations currently permissible under the Rules. The Exchange believes any additional traffic generated from the trading of options on Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) would be manageable. The Exchange represents that Exchange members will not have a capacity issue as a result of this proposed rule change.

Further, quotation and last sale information for Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) is available via the Consolidated Tape Association (“CTA”) high speed line. Quotation and last sale information for such securities is also available from the exchange on which such securities are listed. Quotation and last sale

²⁸ 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.

information for options on Commodity-Based Trusts listed pursuant to proposed Rule 19.3(i)(5) will be available via OPRA²⁹ and major market data vendors. Finally, the Exchange currently lists options on Fund Shares that would qualify for listing as an option a Commodity-Based Trust pursuant to proposed Rule 19.3(i)(5),³⁰ and it has not identified any issues with the listing of options on those ETFs.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.³¹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)³² 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)³³ requirement that the rules of

²⁹ Last sale reports and quotations are the core of the information that OPRA disseminates. OPRA also disseminates certain other types of information with respect to the trading of options on the markets of the OPRA participants, such as the number of options contracts traded, open interest and end of day summaries. OPRA also disseminates certain kinds of administrative messages.

³⁰ The following Fund Shares currently have options listed on them on the Exchange: the Fidelity Wise Origin Bitcoin Fund, the ARK 21Shares Bitcoin ETF, the iShares Bitcoin Trust, the Fidelity Ethereum Fund; the Grayscale Bitcoin Trust, the Grayscale Bitcoin Mini Trust, the Bitwise Bitcoin ETF, the Bitwise Ethereum ETF, the Grayscale Ethereum Trust, the Grayscale Ethereum Mini Trust, and the iShares Ethereum Trust.

³¹ 15 U.S.C. 78f(b).

³² 15 U.S.C. 78f(b)(5).

³³ Id.

an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposal will remove impediments to and perfect the mechanism of a free and open market and a national market system because it would allow the Exchange to immediately list and trade options on Commodity-Based Trusts, provided the initial listing criteria has been met, without requiring additional approvals from the Commission.

Specifically, the Exchange's proposed rule change allows the listing and trading of options on Fund Shares that represent interests in a Commodity-Based Trust and meet the criteria proposed and discussed herein. Listing these options will avail market participants of the opportunity to hedge their positions in the Commodity-Based Trusts in a timely manner, thereby providing investors with the ability to hedge their exposure to the underlying Commodity-Based Trust. Options on Commodity-Based Trusts benefits investors, similar to the listing of any other option on an ETF, by providing investors with a relatively lower-cost risk management tool to manage their positions and associated risk in their portfolios more easily in connection with exposure to the price of a crypto asset. Additionally, listing options on Commodity-Based Trusts provides investors with the ability to transact in such options on a listed market as opposed to the over-the-counter ("OTC") options market, which increases market transparency and enhances the process of price discovery to the benefit of all investors.

Also, this proposal would permit options on certain Commodity-Based Trusts to be listed on the Exchange in the same manner as options on ETFs that are subject to the current listing criteria in Rule 19.3(i). The Exchange notes that the majority of ETFs are

able to list and trade options once the initial listing criteria have been met without the need for additional approvals. The proposed rule change would allow options on certain Commodity-Based Trusts to likewise list and trade once the proposed listing criteria have been met without the need for additional approvals.

As proposed, the Exchange would list options on a Commodity-Based Trust that met the generic criteria of the U.S. equities exchange that is the primary listing market for the Commodity-Based Trust, provided the Commodity-Based Trust held only a single crypto asset and satisfied the conditions in proposed Rule 19.3(i)(5). Specifically, a Commodity-Based Trust that met the requirements of proposed Rule 19.3(i)(5) would also have to satisfy the following requirements in proposed Rule 19.3(i)(5): (A) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (B) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG.

These requirements are consistent with the Act and the protection of investors as they should ensure that the underlying ETF has sufficient liquidity prior to listing options, which will serve to prevent disruption to the underlying market. The Exchange believes that market supply serves as a good measure of liquidity to prevent the addition of options trading on the Commodity-Based Trust from disrupting the market for the underlying security. Requiring the underlying crypto asset to have a requisite amount of deliverable supply, in addition to all the other criteria the ETF is required to have under the rules of the primary equities listing market for the ETF, should ensure adequate

liquidity prior to listing. Further, ensuring the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the ISG, will provide the Exchange with information to adequately surveil options on qualifying Commodity-Based Trusts. Today, the Exchange has a comprehensive surveillance sharing agreement in place with both the CME and Coinbase Derivatives through its common membership in ISG. This facilitates the sharing of information that is available to the CME and Coinbase Derivatives through their surveillance of their respective markets, including their surveillance of their respective digital asset futures markets.

The Exchange also believes the proposed rule change will remove impediments to and perfect the mechanism of a free and open market and a national market system, because it is consistent with current Exchange Rules, previously filed with the Commission. Options on qualifying Commodity-Based Trusts must satisfy the initial listing standards and continued listing standards currently in the Exchange Rules, applicable to options on all ETFs, including ETFs that hold other crypto assets already deemed appropriate for options trading on the Exchange in addition to the proposed criteria. Options on qualifying Commodity-Based Trusts would trade in the same manner as any other ETF options — the same Exchange Rules that currently govern the listing and trading of all ETF options, including permissible expirations, strike prices and minimum increments, and applicable position and exercise limits and margin requirements, will govern the listing and trading of options on qualifying Commodity-Based Trusts. The Exchange represents that it has the necessary systems capacity to

support the listing and trading of options on qualifying Commodity-Based Trusts. The Exchange believes that its existing surveillance and reporting safeguards are designed to deter and detect possible manipulative behavior which might arise from listing and trading of these options on Commodity-Based Trusts, particularly in light of the additional requirement that the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG.

Finally, today, the Exchange lists and trades options on ETFs that would qualify for listing as an option on a Commodity-Based Trust under proposed Rule 19.3(i)(5),³⁴ and it has not identified any issues with the listing and trading of options on those ETFs.

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. Options on qualifying Commodity-Based Trusts would need to satisfy the initial listing standards set forth in the Exchange Rules in the same manner as any other ETF before the Exchange could list options on them. Additionally, options on qualifying Commodity-Based Trusts will be equally available to all market participants who wish to trade such options. The Rules currently applicable to the listing and trading of options on ETFs on the Exchange will apply in the same manner to the listing and trading of all options on qualifying Commodity-Based Trusts. Additionally, the Exchange notes that listing and trading options on qualifying Commodity-Based Trusts on the Exchange will

³⁴ See supra note 30.

subject such options to transparent exchange-based rules as well as price discovery and liquidity, as opposed to alternatively trading such options in the OTC market. The Exchange believes that the proposed rule change may relieve any burden on, or otherwise promote, competition as it is designed to increase competition for order flow on the Exchange in a manner that is beneficial to investors by providing them with a lower-cost option to hedge their investment portfolios in a timely manner. The Exchange does not believe the proposal will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, as nothing prevents the other options exchanges from proposing similar rules to list and trade options on Commodity-Based Trust Shares. Other options exchanges are free to amend their listing rules, as applicable, to permit them to list and trade options on Commodity-Based Trusts. As noted herein, a substantively identical proposal submitted by another options exchange has recently been deemed approved by the Commission.³⁵

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

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

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

The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act³⁶ and Rule 19b-4(f)(6)³⁷ thereunder. The Exchange has designated this proposal as one that effects a change that rule does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on

³⁵ See supra note 6.

³⁶ 15 U.S.C. 78s(b)(3)(A).

³⁷ 17 CFR 240.19b-4(f)(6).

competition; and (iii) by its terms, does not become operative for 30 days from the date on which it was filed, 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 substantively identical to a proposal by Nasdaq ISE that was recently deemed approved by the Commission.³⁸ The Exchange believes that this proposed rule change, which is essential for competitive purposes and to promote a free and open market for the benefit of investors, does not raise any new, unique or substantive issues from those raised in the Nasdaq ISE filing.

Therefore, the Exchange believes that the proposed rule change is well-suited for, and meets the standards applicable to, the Commission's treatment of non-controversial proposals under Section 19(b)(3)(A) of the Act³⁹ and Rule 19b-4(f)(6) thereunder.⁴⁰ Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file a 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. Furthermore, a proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act⁴¹ normally does not become operative for 30 days after the date of its

³⁸ See supra note 6.

³⁹ 15 U.S.C. 78s(b)(3)(A).

⁴⁰ 17 CFR 240.19b-4(f)(6).

⁴¹ Id.

filing. However, Rule 19b-4(f)(6)⁴² permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.

The Exchange respectfully requests that the Commission waive the 30-day operative delay, so that the proposed rule change may become immediately operative pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(6) thereunder. Waiver of the operative delay will allow the Exchange to immediately implement the proposed rule change upon its filing with the Commission, allowing the Exchange to immediately provide investors an additional source of liquidity for options on qualifying Commodity-Based Trusts that meet the applicable criteria. The Exchange believes that a waiver of the operative delay would be consistent with the protection of investors and the public interest because the Exchange believes that most, if not all, other competing exchanges filed to list (or plan to file to list) options on the Commodity-Based Trusts subject to this proposal, effective immediately. The requested waiver would, therefore, allow the Exchange to immediately compete with other options exchanges for options order flow based on this filing. Investors and the public interest will benefit by the trading of these option contracts on additional exchanges, via increased price competition. Accordingly, the proposed waiver does not give rise to any novel investor protection concerns, as the Exchange's listing rules for these products are substantially similar to the listing exchange's rules for such products, which has been subject to Commission review and approval.⁴³

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

⁴² Id.

⁴³ See supra note 6.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-MEMX-2026-01 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-MEMX-2026-01. 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 also 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-MEMX-2026-01 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁴

Sherry R. Haywood,

Assistant Secretary.

⁴⁴ 17 CFR 200.30-3(a)(12).

Exhibit 5

Proposed new language is underlined; Proposed deletions are in [brackets].

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CHAPTER 19. SECURITIES TRADED ON MEMX OPTIONS

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Rule 19.3. Criteria for Underlying Securities

(a) – (h) No change.

(i) Securities deemed appropriate for options trading shall include shares or other securities (“Fund Shares”), including but not limited to Partnership Units as defined in this Rule, that are principally traded on a national securities exchange and are defined as an “NMS stock” under Rule 600 of Regulation NMS, and that (1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities, and that hold portfolios of securities comprising or otherwise based on or representing investments in indexes or portfolios of securities (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities) (“Funds”) and/or financial instruments including, but not limited to, stock index futures contracts, options on futures, options on securities and indexes, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse repurchase agreements (the “Financial Instruments”), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the “Money Market Instruments”) constituting or otherwise based on or representing an investment in an index or portfolio of securities and/or Financial Instruments and Money Market Instruments, or (2) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and /or non-U.S. currency (“Commodity Pool ETFs”) or (3) represent interests in a trust or similar entity that holds a specified non-U.S. currency or currencies deposited with the trust or similar entity when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non-U.S. currency or currencies and pays the beneficial owner interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the trust (“Currency Trust Shares”), or (4) represent interests in the SPDR Gold Trust or are issued by the iShares COMEX Gold Trust, the iShares Silver Trust, abrdn Standard Physical Silver Trust, abrdn Standard Physical Gold Trust, abrdn Standard Physical Palladium Trust, abrdn Standard Physical Platinum Trust, Sprott Physical Gold Trust, Goldman Sachs Physical Gold ETF, iShares Bitcoin Trust, Fidelity Wise Origin Bitcoin Fund, ARK 21Shares Bitcoin ETF, Grayscale Bitcoin Trust, Grayscale Bitcoin Mini Trust, Bitwise Bitcoin ETF, iShares Ethereum Trust, Fidelity Ethereum Fund, Grayscale Ethereum Trust ETF, Grayscale Ethereum Mini Trust ETF, or (5) represent interests in a Commodity-Based Trust that meets the generic criteria of the U.S. securities exchange that is the primary equities listing market for the Commodity-Based Trust, except that the Commodity-

Based Trust holds a single crypto asset that meets the following requirements: (i) the total global supply of the underlying crypto asset held by the Commodity-Based Trust has an average daily market value of at least \$700 million over the last 12 months; and (ii) the crypto asset held by the Commodity-Based Trust underlies a derivatives contract that trades on a market with which the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in the Intermarket Surveillance Group. For purposes of number (5) in this Rule, the term “crypto asset” means an asset that is generated, issued and/or transferred using a blockchain or similar distributive ledger technology network, including but not limited to, assets known as “tokens,” “digital assets,” “virtual currencies,” and “coins” and that relies on cryptographic protocols; provided that all of the following conditions are met:

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