



May 15, 2025

Christopher J. Kirkpatrick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

Re: Cboe Clear U.S., LLC Rule Certification  
Submission Number CCUS-2025-04

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Regulation 40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (“CFTC” or “Commission”) under the Act, Cboe Clear U.S., LLC (Clearinghouse”) hereby submits an amendment to update its Default Auction Liquidity Provider (“DALP”) Incentive Program (the “Program”). The Program, including marked changes, is set forth in a segregated confidential **Exhibit A** to this submission. The updates to the Program (the “Amendment”) will become effective on May 30, 2025.

A DALP is a member of a designated contract market (“DCM”)<sup>1</sup> for which the Clearinghouse clears futures products that desires to participate in one or more default management auctions conducted by the Clearinghouse in the event a clearing member of the Clearinghouse is in default (“Auction”). Pursuant to a written DALP Agreement between the Clearinghouse and a DALP, among other requirements, a DALP is required to meet certain minimum participation thresholds in an Auction (“Minimum Participation Requirements”) and minimum quoting metrics on the DCM in eligible products under the Program during regular trading hours measured on a monthly basis (“Minimum Quoting Metrics”). A DALP is eligible to receive a monthly Incentive Payment for meeting Minimum Quoting Metrics in a given month.

Financially-settled Bitcoin futures (“FBT”) and financially-settled Ether futures (“FET”) are currently listed for trading on Cboe Digital Exchange, LLC (“CDE”) and are cleared through CCUS. Currently, the Program is applicable to all members of CDE that participate in FBT and FET, which are “Eligible Products” under the Program. As further described in CDE Rule Certification Submission Number CDE-2024-15E submitted to the Commission on December 19, 2024: FBT and FET futures are planned to be delisted from CDE after the close of trading on the June 6, 2025 trade date and to be transferred to Cboe Futures Exchange, LLC (“CFE”) commencing on the June 9, 2025 trade date. All

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<sup>1</sup> All DALPs are required to either clear through a Clearing Member of the Clearinghouse or be a Clearing Member of the Clearinghouse.

transactions in FBT and FET futures will continue to clear through CCUS following the transfer of FBT and FET futures from CDE to CFE.

The purpose of the Amendment is to update the Program in light of the transition of futures products on CDE to CFE during the June 2025 calendar month.

The Amendment updates the Program to provide that the terms of the Program will apply to Eligible Products listed on CDE until the Eligible Products are delisted from CDE and listed on CFE, at which point the terms of the Program are applicable to participation on CFE only.<sup>2</sup> The Amendment also maintains a description of the Minimum Exchange Quoting Metrics applicable to the Eligible Products while listed on CDE.

To accommodate the mid-month transition of Eligible Products, the Amendment also provides that if CFE lists the Eligible Products on a date other than the first day of a calendar month, the available Incentive Payment for meeting the Minimum Exchange Quoting Metrics in the Eligible Products on CFE for such period shall be prorated in an appropriate manner as determined by the Clearinghouse.

The Amendment likewise provides that if CDE delists the Eligible Products on a date other than the last day of a calendar month, the available Incentive Payment for meeting the Minimum Exchange Quoting Metrics in the Eligible Products on CDE for such period shall be prorated in an appropriate manner as determined by the Clearinghouse.

The Amendment makes a minor update to the manner in which the Minimum Quoting Metrics will be calculated for a DALP's participation in Eligible Products once listed on CFE. The time-in-market component and the quote size/width component will be measured together.

Finally, the Amendment adds additional clarity and detail to the Program regarding how various terms of the Program are determined, measured or applied, including for Eligible Participant qualifications and requirements and the measurement of Minimum Exchange Quoting Metrics.

### **Core Principle Compliance**

The Clearinghouse believes that the Program is consistent with the Derivatives Clearing Organization ("DCO") Core Principles under Section 5 of the Act. In particular, the Clearinghouse believes that the Program is consistent with the following Core Principles:

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<sup>2</sup> All DALPs currently participating in the Program are Trading Privilege Holders (TPHs) on CDE and either are or plan to be TPHs on CFE. All DALPs currently participating in the Program clear through a Clearing Member of CCUS. Therefore, the current DALPs under the Program will continue to be Eligible Participants under the DALP Program once FET and FBT transition to CFE.

**Core Principle C (Participant and Product Eligibility)**, because, upon the transition of FET and FBT futures to CFE, all Trading Privilege Holders of CFE that are either Clearing Members of CCUS or clear through a Clearing Member of CCUS are eligible to participate in the Program. The Program does not give any DALP a specific execution or clearing advantage because it treats all participants eligible for the Program equally; and

**Core Principle G (Default Rules and Procedures)**, because the Program will continue to be designed in a manner that facilitates an efficient, fair, and safe default auction management process in the event a clearing member becomes insolvent or defaults on its obligations to the Clearinghouse.

The Program will continue to provide participants with a meaningful incentive to participate in Auctions on the Clearinghouse in the event of a clearing member default, and is beneficial to the futures markets by incentivizing the provision of liquidity in the futures products that will be transferred to CFE and continue to clear through the Clearinghouse. Accordingly, the Clearinghouse believes that the impact of the Programs will be beneficial to the public and market participants.

### **Public Information**

We have concurrently posted a notice and copy of this submission on the Clearinghouse's website at <https://www.cboedigital.com/regulation/exchange-notices/> under "CFTC Submissions."

### **Opposing Views**

We are not aware of any opposing views to this self-certification.

### **Certification**

CCUS hereby certifies to the Commission, pursuant to the procedures set forth in Commission Regulation 40.6, that this submission complies with the Act, as amended, and the regulations promulgated thereunder.

If you have any questions regarding this submission, please contact the undersigned at the information below.

Sincerely,

**/s/ Joseph McGlawn**

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**EXHIBIT A**  
**[CONFIDENTIAL TREATMENT REQUESTED]**