



CFE Fee Schedule Updates Effective August 1, 2018

Reference ID: C2018072000

Overview

Effective **August 1, 2018**, Cboe Futures Exchange, LLC (CFE) will introduce a revised fee schedule for Cboe Volatility Index (VX) futures, Cboe Russell 2000 Volatility Index (VU) futures, Cboe/CBOT 10-Year U.S. Treasury Note Volatility Index (VXTY) futures, and Cboe Bitcoin (USD) (XBT) futures, subject to regulatory review.

VX Futures Transaction Fee Update

On the effective date, there will be a base transaction fee less any applicable rebate(s) for all CFE Trading Privilege Holders (TPHs), regardless of whether or not they are also trading permit holders of Cboe Exchange, Inc. (Cboe Options). CFE is retaining its current general fee structure for customer transactions in VX futures at this point in time.

Permit Type	Fee Per Contract Side
CFE TPH Permit Holder	\$1.10
Cboe Options trading permit holder	\$0.90
Non Cboe Options trading permit holder	\$1.00

In conjunction with the elimination of the fee differentiation between CFE TPHs that are trading permit holders of Cboe Options and CFE TPHs that are not trading permit holders of Cboe Options, CFE will no longer require a CFE TPH to submit orders exclusively through the TPH's own Executing Firm ID ("EFID"), rather than through another TPH acting as agent, in order to receive a CFE TPH transaction fee rate.

Volume Tiers For VX Futures Rebate Program

Two rebate schedules are defined based upon the contribution to the overall VX TPH Volume and average daily VX TPH Volume for the applicable month; these rebate schedules are additive. Only the highest tier level within each rebate schedule for which a TPH qualifies for the applicable calendar month applies for that TPH for that calendar month. The resulting rate is applied to all of the TPH's VX TPH Volume for the applicable calendar month.

The following tiers have been established for VX TPH Volume based rebates for which the applicable Customer Type Indicator (CTI) code is 1, 2, or 3.

Rebate Schedule 1 (applicable to Fee Code XP)

Tier	Percentage of VX Futures TPH Volume for Applicable Month	Rebate Per Contract Side
Tier 1	≥ 0.25%	(\$0.08)
Tier 2	≥ 0.50%	(\$0.13)
Tier 3	≥ 1.00%	(\$0.22)
Tier 4	≥ 2.00%	(\$0.29)
Tier 5	≥ 5.00%	(\$0.33)
Tier 6	≥ 10.00%	(\$0.37)
Tier 7	≥ 20.00%	(\$0.42)

Rebate Schedule 2 (applicable to Fee Code XP)

Tier	Average Daily VX Futures TPH Volume for Applicable Month	Rebate Per Contract Side
Tier 1	≥ 500	(\$0.03)
Tier 2	≥ 1,000	(\$0.06)
Tier 3	≥ 2,000	(\$0.09)
Tier 4	≥ 5,000	(\$0.12)
Tier 5	≥ 10,000	(\$0.14)
Tier 6	≥ 25,000	(\$0.16)
Tier 7	≥ 50,000	(\$0.18)
Tier 8	≥ 100,000	(\$0.20)

Revised Fee Codes

Fee Code Revisions/Deletions

Fee Code	Description	Rate
BC	Cboe Bitcoin (USD) Futures (XBT) – Customer	\$0.50
BN	Cboe Bitcoin (USD) Futures (XBT) – Non Cboe TPH	\$0.25
BP	Cboe Bitcoin (USD) Futures (XBT) – Cboe TPH	\$0.25
XN	Volatility Index Futures (VX, VU, VXTY) – Non Cboe TPH	\$1.00
XC	Volatility Index Futures (VX, VU, VXTY) - Customer	\$ 1.40
XP	Volatility Index Futures (VX, VU, VXTY) – Cboe TPH	\$0.90 \$1.10

New Fee Codes

Fee Code	Description	Rate
UC	Cboe Russell 2000 Volatility Index Futures (VU) - Customer	\$1.40
UP	Cboe Russell 2000 Volatility Index Futures (VU) - TPH	\$1.10
YC	Cboe/CBOT 10-Year U.S. Treasury Note Volatility Index Futures (VXTY) - Customer	\$1.40
YP	Cboe/CBOT 10-Year U.S. Treasury Note Volatility Index Futures (VXTY) - TPH	\$1.10
BM	Cboe Bitcoin (USD) Futures (XBT) Maker – TPH	\$0.00
BT	Cboe Bitcoin (USD) Futures (XBT) Taker - TPH	\$0.25
CM	Cboe Bitcoin (USD) Futures (XBT) Maker - Customer	\$0.80
CT	Cboe Bitcoin (USD) Futures (XBT) Taker - Customer	\$1.00

Credits for Incorrect CTI Code Usage

Refunds will not be provided for transaction fees that are billed at a higher rate because of incorrect CTI codes included in an order or transaction report submission.

VU & VXTY Futures Transaction Fee Updates

The TPH transaction fees for VU and VXTY futures are being changed to align with the new base TPH transaction fee for VX futures.

XBT Futures Transaction Fee Updates

The revised fee schedule for TPHs and customer transactions in XBT futures is a maker-taker fee structure with a market turner component. Under this revised fee structure, one of the following three types of transaction fee rates will apply to each TPH or customer transaction in XBT futures.

- A taker fee will apply if a participant's order trades against a resting order.
- A maker fee will apply if a participant's resting book order is traded against by another order (unless the market turner credit or fee is applicable).
- A market turner credit or fee applies if a participant's resting book order was first in time at the best price and is traded against by another order.

TPH Transaction Fees

Liquidity Role	Fee Per Contract Side
Taker	\$0.25
Maker	\$0.00
Market Turner Credit	(\$0.15)

Customer Transaction Fees

Liquidity Role	Fee Per Contract Side
Taker	\$1.00
Maker	\$0.80
Market Turner	\$0.65

Incentive Programs Eliminated

The Day Trade Rebate Program for VU futures has been eliminated and only remains for customer transactions in VX futures.

The following three incentive programs are being replaced by the revised fee schedule for CFE TPH transactions in VX futures.

- New Foreign Trader Incentive Program
- Foreign Proprietary Trading Firm Incentive Program
- Southern Hemisphere Incentive Program

CFE is terminating the current Lead Market Maker Program for XBT futures as it is being replaced by the updated fee schedule.

Testing Opportunities for CFE Fee Changes

Starting on July 22, 2018, the CFE certification environment will be configured to accept XBT futures orders with the new maker-taker fee structure. **CFE TPHs are encouraged to test this new pricing in certification prior to implementation in the CFE production environment.**

Additional Information

Please contact the CFE Trade Desk or Cboe Billing at billing@cboe.com with any questions. TPHs may refer to CFE's [rule certification](#) regarding the CFE fee changes, which is subject to regulatory review, for further information.

We appreciate your continued support and will work hard every day to keep earning your business by powering your potential to stay ahead of an evolving market. As always, we are committed to our customers and to making markets better as your partner in trading.

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