

## Regulatory Circular RG15-122

**Date:** August 31, 2015

**To:** Trading Permit Holders  
**From:** Finance and Administration  
**RE:** Changes to Fees Schedule

This circular explains updates to the Fees Schedule for Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange"). Subject to SEC review, these changes will be effective September 1, 2015.

### Volume Incentive Program ("VIP")

The Exchange will be introducing several changes to the VIP. The VIP Percentage Tiers will be changed as follows: the Tier 2 VIP Percentage Threshold range, currently from 0.75% to 2.00% of National Customer Average Daily Volume (ADV), will now be from 0.75% to 1.50% of National Customer ADV; the Tier 3 VIP Percentage Threshold range will be from 1.50% to 3.00% of National Customer ADV; and the Tier 4 VIP Percentage Threshold range will be from 3.00% of National Customer ADV and above. Also, the Tier 3 and 4 VIP credits for simple orders will increase to \$0.12 from \$0.11, and to \$0.15 from \$0.14, respectively, and the Tier 3 and Tier 4 VIP credits for complex orders will increase to \$0.24 from \$0.22 and to \$0.25 from \$0.23, respectively.

### Linkage Fees

Currently, public customer orders are assessed the specific away exchange transaction fees for that order. Effective September 1, 2015, for such orders, CBOE will assess the specific away exchange transaction fees for that order plus an additional \$0.05 per contract.

The per contract routing fee for any size non-customer order, including voluntary professionals and professionals, which CBOE executes via inter-market linkage in whole or in part, is increasing from \$0.65 to \$0.70.

### QCC Incentive Program

Currently, the QCC Incentive Program rebates \$0.10/contract for the originating/agency order side, regardless of origin code. Effective September 1, 2015, credits will not be paid on Customer ("C" origin code) to Customer ("C" origin code) executions.

### Clearing Trading Permit Holder Proprietary ("F" & "L" Origin Code) CBOE Proprietary Products Sliding Scale ("Firm Sliding Scale")

The Exchange is clarifying in the Fees Schedule that any contracts for which a strategy rebate (as defined in Footnote 13 of the Fees Schedule) has been granted are not included for purposes of reaching the qualifying multiply-listed ADV thresholds for the Proprietary Products Sliding Scale.

### Clearing Trading Permit Holder Fee Cap

The current Clearing Trading Permit Holder Fee Cap includes transaction fees assessed as part of a strategy cap (see Footnote 13 of the Fees Schedule). The Exchange is clarifying in the Fees Schedule that any Clearing Trading Permit Holder that reaches the Fee Cap in a given month would no longer be eligible for Strategy Rebates as defined in Footnote 13, as no transaction fees would be assessed once the Fee Cap is reached for that calendar month.



EXECUTE SUCCESS<sup>SM</sup>

### **Strategy Rebates**

The Exchange is amending the Fees Schedule to provide that only options on Equities, ETFs and ETNs are eligible for strategy rebates. Additionally, strategies tied to QCC orders will not qualify for strategy rebates.

\*\*\*\*\*

### **CBOE Fees Schedule**

<http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf>

### **Additional Information**

Questions may be directed to Don Patton at (312) 786-7026 or [patton@cboe.com](mailto:patton@cboe.com), or John Mavindidze at (312) 786-7689 or [mavindidze@cboe.com](mailto:mavindidze@cboe.com).