

CBOE Regulatory Circular RG17-067

Date: April 28, 2017

To: Trading Permit Holders

From: Finance and Administration

RE: May 2017 Fees Schedule Changes

This circular explains updates to the Fees Schedule for Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") effective May 1, 2017, subject to SEC review.

Supplemental CBOE Volatility Index ("VIX") Total Firm Volume Discount ("TFD")

The Exchange is implementing a new VIX transaction fee discount for CBOE Clearing Trading Permit Holders ("F" or "L" Origin Code). The discount will be based on the volume thresholds in the Supplemental VIX Total Firm Discount Table and will apply to total F and L VIX transaction fees (with F and L volume determined in the same manner as is for the CBOE Clearing Trading Permit Holder Sliding Scales ("Proprietary Product Scales")). Currently, Clearing Trading Permit Holders that reach certain tiers in the Proprietary Product Scales receive certain reduced rates on their per contract VIX transaction fees. With the TFD, they will also receive an additional discount on their F and L VIX transaction fees, not including any additional surcharges, of 20%, 30% or 40% when their VIX contract volume executed with an F or L Origin Code as a percentage of total VIX contract volume executed with an F or L Origin Code reaches 11%, 13% or 15%, respectively, in a calendar month. The TFD will be as follows:

Tier	Percentage Thresholds of Total VIX "F" or "L" Origin Code Volume	Additional Discount
1	11.00% - 12.99%	20%
2	13.00% - 14.99%	30%
3	Above 15.0%	40%

Example A: Trading Permit Holder A executes 874,000 Origin Code F VIX options contracts in May 2017. In May 2017, 7,600,000 Origin Code F and L VIX options contracts were executed. Trading Permit Holder A's 874,000 contracts represent 11.5% of the total Origin Code F and L VIX options volume. Trading Permit Holder A receives a reduction of an additional 20.0% on their sliding scale Clearing Trading Permit Holders VIX transactions fees, not including any additional surcharges.

Order Router Subsidy Program (ORS) and Complex Order Router Subsidy Program (CORS)

Currently, the subsidy per contract for non-customer volume in options classes other than Underlying Symbol List A¹, DJX, MXEA, XSP or XSPAM is \$0.07 per contract. The Exchange is increasing the subsidy per contract for ORS/CORS participants whose total aggregate non-customer ORS and CORS volume is greater than 0.40% of the total national volume (excluding volume in options classes included in Underlying Symbol List A, DJX, MXEA, MXEF, XSP or XSPAM) to \$0.14 per contract for all executed contracts exceeding that threshold during a calendar month.

CBOE Fees Schedule

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

Additional Information

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¹ As of the date of this Circular, Underlying Symbol List A consists of OEX, XEO, RUT, RLG, RLV, RUI, AWDE, FTEM, UKXM, SPX/SPXW, SPXpm, SRO, VIX, Volatility Indexes and binary options.