



Cboe Options Exchange Fee Schedule Changes Effective February 1, 2019

Reference ID: C2019013102

Overview (UPDATED)

This notice explains changes to the Fee Schedule for Cboe Exchange, Inc. (“Cboe Options” or the “Exchange”). Subject to regulatory review, the changes summarized below will be effective February 1, 2019.

Market Maker Transaction Fees in RUT

The Market Maker transaction fee for RUT will increase from \$0.20 per contract to \$0.30 per contract.

Customer Transaction Fees on ETF and ETN Options

Currently the Exchange waives transaction fees for (1) all customer orders executed in open outcry or AIM, and (2) customer electronic executions of 249 contracts or less in ETF and ETN options. Effective February 1, 2019, the Exchange will also waive the transaction fees for all customer electronic executions that add liquidity, regardless of order quantity. The Exchange will charge \$0.18 per contract on all customer electronic executions that remove liquidity where the original order size is 100 contracts or greater, including incoming orders that initiate a COA, HAL, or HALO. The Exchange will charge any leg of a complex order in ETF and ETN options with an original quantity that exceeds 99 contracts, even if the leg is only partially executed below the 99 contract threshold and provided the execution removes liquidity.

There is no change in the Exchange’s aggregation methodology: multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received by the Exchange within 500 milliseconds will be aggregated for purposes of determining quantity.

SPXW Priority Surcharge

The Customer Priority Surcharge for SPXW is currently \$0.10 per contract assessed only on Customer (“C” origin code) contracts executed electronically. Beginning February 1, 2019, this surcharge will be assessed on all SPXW electronic executions for all origins excluding Market Maker (“M” origin code). The SPXW

Surcharge is not assessed to contracts executed by a floor broker using a PAR terminal or orders in SPXW options that are executed during opening rotation on the final settlement day of VIX options and futures which have the expiration that contributes to the VIX settlement calculation.

Volume Incentive Program (“VIP”)

The Exchange is altering VIP by adjusting the Volume Threshold for Tiers 4 and 5. The Volume Threshold for Tier 4 will be adjusted to Above 3.00% - 3.75% from Above 3.00% - 4.00% and Tier 5 will be adjusted to Above 3.75% from Above 4.00%.

Supplemental VIX Total Firm Volume Discount (“TFD”)

In 2017, the Exchange implemented a new VIX transaction fee discount for Clearing Trading Permit Holders (“F” or “L” Origin Code). The discount is based on the volume thresholds in the Supplemental VIX Total Firm Discount Table and applies to total F and L VIX transaction fees (with F and L volume determined in the same manner as is for the 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 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 national VIX contract volume executed with an F or L Origin Code reaches 11%, 13% or 15%, respectively, in a calendar month.

Effective February 1, 2019, the Exchange will be eliminating this discount.

Facility Fees – Access Badges and Coat Room Services

Currently the Exchange charges \$120 per Floor Manager Badge and \$60 per Clerk Badge. Effective February 1, 2019, the Exchange is increasing the Floor Manager Badge to \$130 per badge and the Clerk Badge to \$70 per badge. The Exchange will be eliminating the following Badge-related fees which are assessed per occurrence: Badge Issuance, Replacement Badge, Unreturned Security Access Badge, Temporary Badge – Non Trading Permit Holder, Temporary Badge – Trading Permit Holder, and Unreturned Temporary Badge.

Effective February 1, 2019, the Exchange also proposes to eliminate the fees relating to coat room services. Particularly, the \$25 per month for Coat Room Checking and \$15 per Occurrence for Lost or Damaged Trading Jackets fees will be eliminated.

Fee Waivers

The following fee waivers were not in place for January 2019 due to the government shutdown. The waiver period will begin again on February 1, 2019.

Global Trading Hours (“GTH”) - Trading Permit Fees

The Exchange will waive all GTH trading permit and bandwidth packet fees for one of each type of trading permit and one of each type of bandwidth packet, per affiliated Trading Permit Holder, through June 30, 2019.

Global Trading Hours - Cboe Command Connectivity Fees

The Exchange will waive fees for CMI/Fix Login IDs associated with waived GTH trading permits and/or waived GTH bandwidth packets through June 30, 2019.

VIX and Sector Indexes Surcharge

The Exchange will waive the Sector Indexes surcharge and the VIX surcharge for origin code F and L for VIX transactions where the VIX Premium is less than or equal to \$0.10 and the related series has an expiration of seven (7) calendar days or less through June 30, 2019.

Transaction Fees for RLG, RLV, RUI, AWDE, FTEM, FXTM and UKXM

The Exchange will waive transaction fees for RLG, RLV, RUI, AWDE, FTEM, FXTM and UKXM through June 30, 2019.

Additional Information

Please contact Cboe Billing at billing@cboe.com with any questions. Additionally, you may refer to the [Cboe Exchange Fee Schedule](#) for more details.

We appreciate your business and remain committed to powering your potential with Cboe products, technologies and solutions.

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