

OMB APPROVAL

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Page 1 of 30

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No. SR - 2007 - 150

Amendment No.

Proposed Rule Change by Chicago Board Options Exchange

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input type="checkbox"/>	Section 19(b)(3)(A) <input checked="" type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		
Extension of Time Period for Commission Action <input type="checkbox"/>			Date Expires <input type="text"/>		

Is this a duplicate filing? ☐ Yes ☐ No
 Is this a duplicate filing? ☐ Yes ☐ No

Description

Provide a brief description of the proposed rule change (limit 250 characters).

Proposes to amend the CBOE Fees Schedule to make various changes for fiscal year 2008.

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name Last Name
 Title
 E-mail
 Telephone Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date By

(Name)

(Title)

NOTE: Clicking the button at right will digitally sign and lock
 this form. A digital signature is as legally binding as a physical
 signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFT website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3).

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

☐

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Item 1. Text of Proposed Rule Change

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Fees Schedule to make various changes for Fiscal Year 2008. The text of the proposed rule change is set forth in Exhibit 5.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Exchange's Board of Directors on December 12, 2007.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of this proposed rule change is to amend the CBOE Fees Schedule to make various fee changes. The proposed changes are the product of the Exchange's annual budget review. The fee changes were approved by the Exchange's Board of Directors pursuant to CBOE Rule 2.22 and will take effect on January 1, 2008.

The Exchange proposes to amend the following fees:

A. Liquidity Provider Sliding Scale

In January 2007, the Exchange adopted a "Liquidity Provider Sliding Scale" program, which reduces a Liquidity Provider's per contract transaction fee based on the number of contracts the Liquidity Provider trades in a month.¹ The sliding scale applies to all Liquidity Providers (CBOE Market-Maker, DPM, e-DPM, LMM and RMM) for transactions in all products.²

Under the current program, a Liquidity Provider's \$.20 per contract transaction fee is reduced if the Liquidity Provider reaches the volume thresholds set forth in the sliding scale in a month. As a Liquidity Provider's monthly volume increases, its per contract transaction fee decreases. The first 50,000 contracts traded in a month (first tier) are assessed at \$.20 per contract.

¹ See Securities Exchange Act Release No. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007).

² Contract volume resulting from dividend, merger and short stock interest strategies as defined in Footnote 13 of the Fees Schedule does not apply towards reaching the sliding scale volume thresholds.

The next 950,000 contracts traded (up to 1 million total contracts traded – second tier) are assessed at \$.18 per contract. The next 1.5 million contracts traded (up to 2.5 million total contracts traded – third tier) are assessed at \$.15 per contract and the next 1.5 million contracts traded (up to 4 million total contracts traded – fourth tier) are assessed at \$.10 per contract. All contracts above 4 million contracts traded in a month (fifth tier) are assessed at \$.02 per contract. The Exchange aggregates the trading activity of separate Liquidity Provider firms for purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A.³

The Exchange proposes to increase the sliding scale volume thresholds for fiscal year 2008 due to increased volume on the Exchange. Specifically, the Exchange proposes to increase the first tier threshold from 50,000 contracts to 75,000 contracts, the second tier threshold from 950,000 contracts to 1,125,000 contracts (up to 1.2 million total contracts traded), the third tier threshold from 1.5 million contracts to 1.8 million contracts (up to 3 million total contracts traded), the fourth tier threshold from 1.5 million contracts to 1.8 million contracts (up to 4.8 million total contracts traded), and the fifth tier threshold from above 4 million contracts to above 4.8 million contracts. The Exchange also proposes to increase the fifth tier transaction fee rate from \$.02 per contract to \$.03 per contract.

Under the current program, the Exchange provides Liquidity Providers with two incentives to prepay annual transaction fees. First, in order to be eligible to participate in the sliding scale above 1 million contracts (i.e., at the \$.15 per contract rate and lower), a Liquidity Provider is required to prepay their transaction fees for the first two tiers of the sliding scale for the entire year (i.e., \$2.172 million). Second, if a Liquidity Provider prepays annual fees for the first four tiers of the sliding scale, the Liquidity Provider receives a \$500,000 prepayment discount (total amount of the prepayment would be \$6.172 million instead of \$6.672 million). As a result of increasing the volume

³ A Liquidity Provider's monthly contract volume is determined at the firm affiliation level, e.g., if five Liquidity Provider individuals are affiliated with member firm ABC as reflected by Exchange records for the entire month, all of the volume from those five individual Liquidity Providers count towards firm ABC's sliding scale transaction fees for that month.

thresholds as described above, the \$2.172 million prepayment amount would be revised to \$2.61 million. The Exchange proposes to increase the discount for prepaying the first four tiers of the sliding scale from \$500,000 to \$600,000 (total amount of the prepayment would be \$7.41 million instead of \$8.01 million).

B. Member Firm Proprietary and Firm Facilitation Fee Cap

Pursuant to Section 20 of the CBOE Fees Schedule, the Exchange caps member firm proprietary fees at \$125,000 per month per firm ("Member Firm Fee Cap"). The Exchange proposes to eliminate the Member Firm Fee Cap program and replace it with a sliding scale program ("Member Firm Proprietary Sliding Scale") similar in operation to the Liquidity Provider Sliding Scale.

The proposed Member Firm Proprietary Sliding Scale would reduce the standard member firm proprietary per contract transaction fee (currently \$.20 per contract) based on the number of contracts the member firm trades in a month, based on the following sliding scale:

Tiers	Contracts per Month	Rate
First	First 400,000	20 cents
Second	Next 200,000	15 cents
Third	Next 150,000	10 cents
Fourth	Next 100,000	5 cents
Fifth	Above 850,000	2 cents

The sliding scale would apply to member firm proprietary orders ("F" origin code) in all products, except for orders of joint back-office ("JBO") participants.⁴

A member firm's \$.20 per contract transaction fee would be reduced if the member firm reaches the volume thresholds set forth in the sliding scale in a month. As a member firm's monthly volume increases, its per contract transaction fee would decrease. Under the proposed sliding scale, the first 400,000 contracts traded in a month would be assessed at \$.20 per contract. The next

⁴ A JBO participant is a member or member organization that maintains a JBO arrangement with a clearing broker-dealer ("JBO Broker") subject to the requirements of Regulation T Section 220.7 of the Federal Reserve System. JBO participant orders are excluded from the sliding scale due to the fact that the Exchange is unable to differentiate orders of the JBO participant from orders of its JBO Broker and so is unable to aggregate the JBO participant's orders for purposes of the sliding scale.

200,000 contracts traded (up to 600,000 total contracts traded) would be assessed at \$.15 per contract. The next 150,000 contracts traded (up to 750,000 total contracts traded) would be assessed at \$.10 per contract and the next 100,000 contracts traded (up to 850,000 contracts traded) would be assessed at \$.05 per contract. All contracts above 850,000 contracts traded in a month would be assessed at \$.02 per contract.

Due to the Exchange's obligation to pay license fees on certain products, the Exchange would assess a \$.10 per contract license fee (a total of 10 cents per contract less any surcharge fees already assessed) on all licensed products when a firm reaches the fifth tier of the sliding scale.

C. Surcharge Fees

The Exchange currently charges a \$.04 per contract surcharge fee on transactions of all market participants in options on the S&P 100 Index (OEX and XEO), S&P 500 Index (SPX) and options on volatility indexes (e.g., VIX) excluding public customer orders and including linkage orders.⁵ The Exchange proposes to increase the surcharge fee to \$.06 per contract in these products. The surcharge fee is assessed to help the Exchange recoup license fees the Exchange pays to index licensors for the right to list these products for trading.

D. SPX Customer Transaction Fee

The Exchange currently charges customers trading SPX options \$.44 per contract if the premium is greater than or equal to \$1 and \$.27 per contract if the premium is less than \$1. The Exchange proposes to increase the transaction fee rate if the premium is less than \$1 from \$.27 per contract to \$.35 per contract.

E. Membership Application Fees

Membership application fees are set forth in Section 11 of the CBOE Fees Schedule as well as in a regulatory circular ("Membership Fees Circular"). These fees have not changed in approximately four years. The Exchange proposes several changes to the membership application fees as reflected in the Fees Schedule and Membership Fees Circular included as Exhibit 5. The

⁵ See CBOE Fees Schedule, Footnote 14.

proposed changes would simplify the membership application fees schedule by consolidating certain fees. In addition, certain fees are proposed to be increased, certain fees are proposed to be eliminated, and one new fee is proposed to be established (Seat Transfer Fee).

The Exchange notes that while the proposed \$4,000 Trading Firm Application Fee is significantly higher than the current firm application fee (\$275), unlike the current fee the proposed new fee will encompass several other fees related to a firm's membership application⁶, thereby potentially resulting in an overall fee reduction for some firm applicants. For example, under the current membership fee structure, a firm applicant would pay the \$275 firm application fee, the \$2,200 individual application fee for each of its nominees applying for individual membership, the \$275 fee for each of its associated persons (e.g., general partners, executive officers, LLC managers, etc.) and the \$40 fingerprint processing fee for each of its associated persons, which fees when totaled could potentially equal or exceed \$4,000.

F. Manual Appointment Change Request Fee

The Exchange provides members with access to an online appointment system that allows CBOE market-makers and remote market-makers to view and update their market-maker appointments as often as necessary. Market-makers are still allowed to request appointment changes via email, phone call or in-person visits to the Exchange. In order to encourage market-makers to use the online appointments system, the Exchange proposes to charge members \$50 for each appointment change request that is not executed through the online appointment system.

G. Technology Fee Changes

The Exchange proposes to amend an existing fee and establish several new fees related to CBOE's electronic trading system (CBOEdirect) and its Hybrid Trading System. First, the Exchange provides certain hardware (e.g., servers) and related maintenance services to third party vendors that provide members with quoting software used by members to trade on the Hybrid Trading System.

⁶ The Trading Firm Application Fee would encompass a firm's membership application, one Individual Application Fee (Nominee) associated with the firm's membership application and Associated Person Fees for all associated persons that are part of the firm's membership application.

Since 2003, the Exchange has charged these members \$100 per month to help the Exchange recover its costs in facilitating the members' receipt of these third party services. Due to increased quoting, the Exchange's costs in upgrading and otherwise maintaining this hardware have increased. The Exchange proposes to increase the monthly fee from \$100 to \$150 to help the Exchange offset these increased costs.⁷

Second, the Exchange proposes to establish three new monthly charges related to connectivity to CBOEdirect. The Exchange provides member firms with server hardware that enable the firms to connect to CBOE's two Application Protocol Interfaces ("APIs"): CMI (CBOE Market Interface) and Financial Information Exchange ("FIX"). Currently, members do not pay for this service. The Exchange proposes to charge members a \$40 per month "CMI Application Server" fee for this service. In addition, The Exchange proposes to charge members a \$40 per month "network access port " charge and a \$40 per month "FIX port" charge for network hardware the Exchange provides to members for access to the Exchange's network.

Lastly, the Exchange provides cabinet space in the CBOE data center for co-locating member firm network and quoting engine hardware, to help members meet their need for high performance processing and low latency. The Exchange proposes to charge a co-location fee of \$10 per "U" of shelf space (which is equal to 1.75 inches).

H. Customer Large Trade Discount Program

The Exchange proposes to amend the Customer Large Trade Discount program. The Customer Large Trade Discount program provides a discount in the form of a cap on the quantity of customer contracts that are assessed transaction fees for CBOE index, ETF and HOLDRs options.⁸ Currently, customer transaction fees are charged only up to the first 7,500 contracts per order in SPX options, only up to the first 5,000 contracts per order in other index options, and only up to the first 3,000 contracts per order in ETF and HOLDRs options. The Exchange proposes to: (i) increase the

⁷ The fee is located in Section 17 of the Fees Schedule and is currently named "Actant Computing User Fee". The Exchange proposes to rename the fee "Quoting Infrastructure User Fee".

⁸ See CBOE Fees Schedule, Section 18.

SPX options cap to 10,000 contracts; and (ii) increase the cap for options on volatility indexes to 7,500 contracts from 5,000 contracts.

I. Miscellaneous, Non-substantive Changes

The Exchange proposes two non-substantive clean-up changes to its Fees Schedule, as reflected in Exhibit 5. The Exchange proposes to delete a sentence from Footnote 7 of the Fees Schedule relating to a cabinet fee as the Exchange recently eliminated that fee.⁹ The Exchange also proposes to delete a sentence in Footnote 17 of the Fees Schedule relating to a fee waiver that is due to expire on December 31, 2007.¹⁰

Statutory Basis.

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act")¹¹, in general, and furthers the objectives of Section 6(b)(4)¹² of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members and other persons using its facilities.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

This proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

Item 6. Extension of Time Period for Commission Action

Not applicable.

⁹ See Securities Exchange Act Release No. 56937 (December 10, 2007), 72 FR 71465 (December 17, 2007).

¹⁰ See Securities Exchange Act Release No. 56852 (November 28, 2007), 72 FR 68226 (December 4, 2007).

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The proposed rule change is designated by the Exchange as establishing or changing a due, fee, or other charge, thereby qualifying for effectiveness on filing pursuant to Section 19(b)(3)(A)(ii)¹³ of the Act and subparagraph (f)(2) of Rule 19b-4¹⁴ thereunder.

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or the Commission

Not Applicable.

Item 9. Exhibits

Exhibit 1. Form of Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 5. Text of Proposed Rule Change.

¹³ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁴ 17 C.F.R. 240.19b-4(f)(2).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-CBOE-2007-150)

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Chicago Board Options Exchange, Incorporated Relating to Exchange Fees for Fiscal Year 2008.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Fees Schedule to make various changes for Fiscal Year 2008. The text of the proposed rule change is available on the Exchange's website (<http://www.cboe.org/legal>), at the Exchange's Office of the Secretary and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, CBOE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places

specified in Item IV below. CBOE has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, Proposed Rule Change

The purpose of this proposed rule change is to amend the CBOE Fees Schedule to make various fee changes. The proposed changes are the product of the Exchange's annual budget review. The fee changes were approved by the Exchange's Board of Directors pursuant to CBOE Rule 2.22 and will take effect on January 1, 2008.

The Exchange proposes to amend the following fees:

A. Liquidity Provider Sliding Scale

In January 2007, the Exchange adopted a "Liquidity Provider Sliding Scale" program, which reduces a Liquidity Provider's per contract transaction fee based on the number of contracts the Liquidity Provider trades in a month.¹ The sliding scale applies to all Liquidity Providers (CBOE Market-Maker, DPM, e-DPM, LMM and RMM) for transactions in all products.²

Under the current program, a Liquidity Provider's \$.20 per contract transaction fee is reduced if the Liquidity Provider reaches the volume thresholds set forth in the sliding scale in a month. As a Liquidity Provider's monthly volume increases, its per contract transaction fee decreases. The first 50,000 contracts traded in a month (first tier) are assessed at \$.20 per contract. The next 950,000 contracts traded (up to 1 million total contracts traded – second tier) are assessed at \$.18 per contract. The next 1.5 million contracts traded (up to 2.5 million total contracts traded – third tier) are assessed at \$.15 per contract and the next

¹ See Securities Exchange Act Release No. 55193 (January 30, 2007), 72 FR 5476 (February 6, 2007).

1.5 million contracts traded (up to 4 million total contracts traded – fourth tier) are assessed at \$.10 per contract. All contracts above 4 million contracts traded in a month (fifth tier) are assessed at \$.02 per contract. The Exchange aggregates the trading activity of separate Liquidity Provider firms for purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A.³

The Exchange proposes to increase the sliding scale volume thresholds for fiscal year 2008 due to increased volume on the Exchange. Specifically, the Exchange proposes to increase the first tier threshold from 50,000 contracts to 75,000 contracts, the second tier threshold from 950,000 contracts to 1,125,000 contracts (up to 1.2 million total contracts traded), the third tier threshold from 1.5 million contracts to 1.8 million contracts (up to 3 million total contracts traded), the fourth tier threshold from 1.5 million contracts to 1.8 million contracts (up to 4.8 million total contracts traded), and the fifth tier threshold from above 4 million contracts to above 4.8 million contracts. The Exchange also proposes to increase the fifth tier transaction fee rate from \$.02 per contract to \$.03 per contract.

Under the current program, the Exchange provides Liquidity Providers with two incentives to prepay annual transaction fees. First, in order to be eligible to participate in the sliding scale above 1 million contracts (i.e., at the \$.15 per contract rate and lower), a Liquidity Provider is required to prepay their transaction fees for the first two tiers of the sliding scale for the entire year (i.e., \$2.172 million). Second, if a Liquidity Provider prepays annual fees for the first four tiers of the sliding scale, the Liquidity Provider receives

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a \$500,000 prepayment discount (total amount of the prepayment would be \$6.172 million instead of \$6.672 million). As a result of increasing the volume thresholds as described above, the \$2.172 million prepayment amount would be revised to \$2.61 million. The Exchange proposes to increase the discount for prepaying the first four tiers of the sliding scale from \$500,000 to \$600,000 (total amount of the prepayment would be \$7.41 million instead of \$8.01 million).

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The proposed Member Firm Proprietary Sliding Scale would reduce the standard member firm proprietary per contract transaction fee (currently \$.20 per contract) based on the number of contracts the member firm trades in a month, based on the following sliding scale:

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Due to the Exchange's obligation to pay license fees on certain products, the Exchange would assess a \$.10 per contract license fee (a total of 10 cents per contract less any surcharge fees already assessed) on all licensed products when a firm reaches the fifth tier of the sliding scale.

C. Surcharge Fees

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would pay the \$275 firm application fee, the \$2,200 individual application fee for each of its nominees applying for individual membership, the \$275 fee for each of its associated persons (e.g., general partners, executive officers, LLC managers, etc.) and the \$40 fingerprint processing fee for each of its associated persons, which fees when totaled could potentially equal or exceed \$4,000.

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⁶ The Trading Firm Application Fee would encompass a firm's membership application, one Individual Application Fee (Nominee) associated with the firm's membership application and Associated Person Fees

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H. Customer Large Trade Discount Program

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⁷ The fee is located in Section 17 of the Fees Schedule and is currently named "Actant Computing User Fee". The Exchange proposes to rename the fee "Quoting Infrastructure User Fee".

⁸ See CBOE Fees Schedule, Section 18.

other index options, and only up to the first 3,000 contracts per order in ETF and HOLDRs options. The Exchange proposes to: (i) increase the SPX options cap to 10,000 contracts; and (ii) increase the cap for options on volatility indexes to 7,500 contracts from 5,000 contracts.

I. Miscellaneous, Non-substantive Changes

The Exchange proposes two non-substantive clean-up changes to its Fees Schedule, as reflected in Exhibit 5. The Exchange proposes to delete a sentence from Footnote 7 of the Fees Schedule relating to a cabinet fee as the Exchange recently eliminated that fee.⁹ The Exchange also proposes to delete a sentence in Footnote 17 of the Fees Schedule relating to a fee waiver that is due to expire on December 31, 2007.¹⁰

Statutory Basis.

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act")¹¹, in general, and furthers the objectives of Section 6(b)(4)¹² of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members and other persons using its facilities.

B. Self-Regulatory Organization's Statement on Burden on Competition

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

⁹ See Securities Exchange Act Release No. 56937 (December 10, 2007), 72 FR 71465 (December 17, 2007).

¹⁰ See Securities Exchange Act Release No. 56852 (November 28, 2007), 72 FR 68226 (December 4, 2007).

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(4).

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing rule change establishes or changes a due, fee, or other charge imposed by the Exchange, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and subparagraph (f)(2) of Rule 19b-4¹⁴ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2007-150 on the subject line.

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 C.F.R. 240.19b-4(f)(2).

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, D.C. 20549-1090.

All submissions should refer to File Number SR-CBOE-2007-150. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the CBOE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2007-150 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Nancy M. Morris
Secretary

¹⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5 TO SR-CBOE-2007-150(Changes are indicated by underlining additions and [bracketing deletions].)

CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED
FEES SCHEDULE
[DECEMBER 1, 2007]JANUARY 1, 2008

1. OPTIONS TRANSACTION FEES (1)(3)(4)(7)(15):**PER CONTRACT****EQUITY OPTIONS (13):**

I.	CUSTOMER	\$.00
	• CUSTOMER COMPLEX ORDER TAKING LIQUIDITY FROM COB – largest leg (12)	\$.18
II.	CBOE MARKET-MAKER/DPM/E-DPM/RMM (standard rate, subject to sliding scale) (10)	\$.20
III.	MEMBER FIRM PROPRIETARY: (11)	\$.20
IV.	BROKER-DEALER (16)	
	• MANUAL	\$.25
	• ELECTRONIC	\$.45
V.	LINKAGE ORDERS (8)	\$.26
VI.	CFLEX SURCHARGE FEE (17)	\$.10

QQQQ and SPDR OPTIONS:

I.	CUSTOMER	
	• QQQQ	\$.00
	• SPDR	\$.18
	• QQQQ CUSTOMER COMPLEX ORDER TAKING LIQUIDITY FROM COB - largest leg (12)	\$.18
II.	CBOE MARKET-MAKER/DPM/RMM (standard rate, subject to sliding scale) (10)	\$.20
III.	MEMBER FIRM PROPRIETARY: (11)	\$.20
IV.	BROKER-DEALER (16)	
	• QQQQ	\$.25
	• SPDR MANUAL	\$.25
	• SPDR ELECTRONIC	\$.45
V.	LINKAGE ORDERS (8)	\$.26
VI.	CFLEX SURCHARGE FEE (17)	\$.10

INDEX OPTIONS (includes ETF and HOLDRs options):

I.	CUSTOMER (2):	
	• OEX and XEO	\$.30
	• SPX, PREMIUM > or = \$1	\$.44
	• SPX, PREMIUM < \$1	\$ [.27].35
	• DXL, MVR and VOLATILITY INDEXES	\$.40
	• OTHER INDEXES, ETFs and HOLDRs	\$.18
II.	CBOE MARKET-MAKER/DPM/RMM (standard rate, subject to sliding scale) (10)	\$.20
III.	MEMBER FIRM PROPRIETARY: (11)	\$.20
IV.	BROKER-DEALER (16)	
	• OEX and XEO	\$.30
	• SPX	\$.40
	• IWM and MVR	\$.25
	• OTHER INDEXES, ETFs and HOLDRs - MANUAL	\$.25
	• OTHER INDEXES, ETFs and HOLDRs - ELECTRONIC	\$.45
V.	SURCHARGE FEE: (14)	
	• OEX, XEO, SPX, VOLATILITY INDEXES	\$ [.04].06
	• DJX, DXL, MNX, NDX and RUT	\$.10
VI.	LINKAGE ORDERS (8)(14)	\$.26
VII.	CFLEX SURCHARGE FEE (17)	\$.10

CREDIT DEFAULT OPTIONS AND CREDIT DEFAULT BASKET OPTIONS:

I.	CUSTOMER	\$.85
II.	CBOE MARKET-MAKER/DPM/RMM (standard rate, subject to sliding scale) (10)	\$.20
III.	MEMBER FIRM PROPRIETARY: (11)	\$.20
IV.	BROKER-DEALER (16)	
	• MANUAL	\$.25
	• ELECTRONIC	\$.45

LIQUIDITY PROVIDER SLIDING SCALE (10):

Tiers	Contracts per Month	Rate
First	First [50,000]75,000	20 cents
Second	Next [950,000]1,125,000	18 cents
Third	Next [1,500,000]1,800,000	15 cents
Fourth	Next [1,500,000]1,800,000	10 cents
Fifth	Above [4,000,000]4,800,000	[2]3 cents

MEMBER FIRM PROPRIETARY SLIDING SCALE (11):

Tiers	Contracts per Month	Rate
First	First 400,000	20 cents
Second	Next 200,000	15 cents
Third	Next 150,000	10 cents
Fourth	Next 100,000	5 cents
Fifth	Above 850,000	2 cents

2. **MARKETING FEE (6)** Unchanged.
3. **FLOOR BROKERAGE FEE (1)(5)(15):** Unchanged.
4. **RAES ACCESS FEE (RETAIL AUTOMATIC EXECUTION SYSTEM) (1)(4)(15):** Unchanged.

FOOTNOTES:

- (1) - (6) Unchanged.
- (7) Cabinet trades are not assessed transaction fees. [Only index options are assessed a cabinet fee of \$.10 per contract side.]
- (8) - (9) Unchanged.
- (10) The Liquidity Provider Sliding Scale applies to Liquidity Provider (CBOE Market-Maker, DPM, e-DPM, LMM and RMM) transaction fees in all products. A Liquidity Provider's standard per contract transaction fee shall be reduced to the fees shown on the sliding scale as the Liquidity Provider reaches the volume thresholds shown on the sliding scale in a month. The Exchange will aggregate the trading activity of separate Liquidity Provider firms for purposes of the sliding scale if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. A Liquidity Provider shall be required to prepay annual fees for the first two tiers of the sliding scale (\$[2.172]2.61 million) in order to be eligible for the fees in the sliding scale above 1.2 million contracts per month. If a Liquidity Provider prepays annual fees for the first four tiers of the sliding scale, the Liquidity Provider will receive a \$[5]600,000 prepayment discount (total amount of the prepayment will be \$[6.172]7.41 million). Contract volume resulting from dividend, merger and short stock interest strategies as defined in Footnote 13 will not apply towards reaching the sliding scale volume thresholds.
- (11) [Please see Section 20 for details of the Member Firm Proprietary and Firm Facilitation Fees Cap]. The Member Firm Proprietary Sliding Scale applies to member firm proprietary orders ("F" origin code) in all products, except for orders of joint back-office ("JBO") participants. The standard member firm proprietary per contract transaction fee shall be reduced to the fees shown on the sliding scale as the member firm reaches the volume thresholds shown on the sliding scale in a month. Due to CBOE's obligation to pay license fees on certain products, the Exchange will assess a ten cent per contract license fee (a total of 10 cents per contract less any surcharge fees already assessed) on all licensed products when a firm reaches the fifth tier of the sliding scale.
- (12) - (16) Unchanged.
- (17) The CFLEX Surcharge Fee applies to all orders (all origin codes) executed electronically on the FLEX Hybrid Trading System (CFLEX). The CFLEX Surcharge Fee will only be charged up to the first 2,500 contracts per trade for public customers. [The CFLEX Surcharge Fee and the CFLEX Log-in Fee set forth in Section 15 of this Fees Schedule shall be waived through December 31, 2007.]

5. -.10 Unchanged.

11. **MEMBERSHIP APPLICATION FEES**:**

A) Individual (<u>Owner/Nominee/Lessee/Lessor</u>)	\$2,250
B) Joint Account (new joint account)	1,000
[- A fee is not assessed for participant additions to a joint account whose members are part of the same broker-dealer. Otherwise, participant additions are \$250 each.]	
C) Non-Member Customer Business	[550]1,000
D) [Stock Execution Business]Order Service Firm	1,650
E) [General Partner]Associated Person	[275]350
[F] Executive Officer	275
[G] Principal Shareholder	275
[H] Limited Partner	275
[I] CBOT Exerciser	2,200
[J]E) [Corporation/Partnership]Trading Firm Application	[275]\$4,000
G) Lessor Firm Application	1,000
[K]H) Renewal/Change of Status	[110]250
[L]I) Membership <u>Transfer into</u> Trust	[550]1,000
[M]J) New Member Orientation and Exam	500
[N]K) Lease Application	[550]600
[O] Amendments to Partnership Agreement	110
[P]L) Subject to Statutory Disqualification	2,750
[Q]M) Rule 19h- Change in Status	1,650
[R]N) Inactive Nominee Status (Per Quarter – <u>Parking Space</u>)	[660]750
[S]O) Inactive Nominee Status Change (<u>Seat Swap</u>):	
1. Submission before 4pm on the day prior to effective date	[44]50
2. Submission after 4pm on the day prior to effective date	[83]100
3. Submission after 8am on the effective date	[165]200
[T]P) Fingerprint Processing [and Photograph] Fee	[40]50
Q) Seat Transfer Fee	500

** Application fees related to a member organization's structural change are capped at \$10,000 (e.g. change from a limited partnership to a limited liability corporation)

12. -.14 Unchanged.

15. **MISCELLANEOUS:**

Periodic license or royalty fees for DPM-traded products -	CBOE costs passed-through to DPM [(12)]
Member Death Benefit (calculated @ \$50,000 divided by number of members assessed)	
Trading Floor Printer Maintenance (Per Month)	\$75
Exchange Bulletin Subscription (Annual)	\$200 per hard copy subscription; no charge for electronic delivery
Late Payment Penalty (Assessed to balances over 30 days old, per month, compounded)	prime rate
Market Maker Failure to Change Appointment or Failure to meet	
in-person Trading Requirements (allowed 1 warning letter before fee)	\$250 per quarter
ABIL Brokerage Billing	\$.005 per contract, minimum \$50, maximum \$200 per month
ORS Analysis, Floor Efficiency Project or Market Penetration Reports	\$100 per month
Ad Hoc Information Services Requests	Production Costs
DPM requests for post modifications/equipment	CBOE costs passed-through
Crowd Space Dispute Resolution Hearing Fee (per hearing, per member)*	\$1,000
CFLEX Log-In Fee	\$100 per log-in per month, capped at 5 log-ins per member organization
Manual appointment change request	\$50

* The Crowd Space Dispute Resolution Hearing Fee is \$1,000 per hearing for each party to the dispute and will escalate under certain circumstances pursuant to CBOE Rule 24.21(e). After the hearing is held and all rights of appeal are exhausted, the prevailing party in dispute shall obtain a refund of the Hearing Fee from the Exchange.

16. **CBOEdirect CONNECTIVITY CHARGES:**

[**SETUP CHARGE** (The setup charge has been eliminated for CBOE members as of November 1, 2002):

I. **Pick API and hardware to determine the one-time setup charge:**

CMi – Non-member Client Application Server and Test Terminal.....\$5,000*

* The startup fee will increase \$1,500 for each additional CBOE workstation requested beyond the allotted one workstation.

FIX – Non-member Firm Configuration\$5,000]

• Network Access Port.....	\$40/month
• CMI Client Application Server	\$40/month
• FIX Port.....	\$40/month

CIRCUIT CHARGE: Unchanged.

17. HYBRID FEES:

• [Actant Computing] Quoting Infrastructure User Fee	\$[100] 150
• TickerXpress (TX) User Fee (effective April 1, 2007)	
• TX Software Fee	100
• Enhanced TX User Fee	300
• CBOEdirect Connectivity Fees	0
• Co-location of Equipment Fee (per "U" – 1.75 inches)	10
• Hybrid Electronic Quoting Fee	450*

Remainder of Section 17 – Unchanged.

18. CUSTOMER LARGE TRADE DISCOUNT

A customer large trade discount program in the form of a cap on customer transaction fees is in effect for the options set forth below. Floor brokerage fees are not subject to the cap on fees.

Regular customer transaction fees will only be charged up to the following quantity of contracts per order, for the following options:

- SPX – charge only the first ~~[7,500]~~10,000 contracts
- Volatility indexes – charge only the first 7,500 contracts
- Other index options – charge only the first 5,000 contracts
- ETF and HOLDR[S]s options – charge only the first 3,000 contracts

19. Reserved.

20. [CAP ON MEMBER FIRM PROPRIETARY AND FIRM FACILITATION FEES

Effective January 1, 2007, the Exchange will cap Member Firm** Proprietary and Firm Facilitation fees at \$125,000 per month per firm.

Specifics of the plan are as follows:

- Fees eligible for the cap program include Member Firm Proprietary and Firm Facilitation transaction fees in all products.
- Member Firm Proprietary and Firm Facilitation orders must include designated firm origin codes (e.g. "F") on trade input records to be eligible for the cap calculation.
- Cap calculations will be performed after each month-end and credits will be processed in the next billing period.

License fees for Member Firm Proprietary and Firm Facilitation fee cap: Due to CBOE's obligation to pay license fees on certain products, the Exchange will assess a ten cent per contract license fee on all licensed products, excluding OEX, after a firm has reached a cap on Member Firm Proprietary and Firm Facilitation fees for any month.

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** This program applies to member organizations for orders for the proprietary account of any member or non-member broker dealer that derives more than 35% of its annual, gross revenues from commissions and principal transactions with customers. Member organizations will be required to verify this amount to the Exchange by certifying that they have reached this threshold and by submitting a copy of their annual report, which was prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). In the event that a member organization has not been in business for one year, the most recent quarterly reports, prepared in accordance with GAAP, will be accepted.] Reserved.

Remainder of Fees Schedule – Unchanged.

EXHIBIT 5 TO SR-CBOE-2007-150 (Continued)(Changes are indicated by underlining additions and [bracketing deletions].)**Regulatory Circular RG[04-13]07-XX**

Date: [January 26, 2004]_____

To: Members and Applicants for Membership

From: Membership Department

Re: Membership Application and Other Membership Fees

The following is a list of the Exchange's membership application fees and other membership fees, together with a brief explanation of each fee:

List of Fees

Individual (Owner/Nominee/[CBOT Exerciser]/Lessee/Lessor)	\$[2,200]2,500
New Member Orientation & Exam	\$500
Trading Firm (Corporation/Partnership/LLC)	\$[275]4,000
Lessor Firm (Corporation/Partnership/LLC)	\$1,000
[General Partner]Associated Person	\$[275]350
Fingerprint Processing [and Photograph] Fee	\$[40]50
Lease Fee	\$[550]600
[Executive Officer]	\$275]
[LLC Manager]	\$275]
[Principal Shareholder]	\$275]
[Limited Partner]	\$275]
[LLC Member]	\$275]
Renewal/Change of Status	\$[110]250
[Amendments to Bylaws/Partnership Agreement/Operating Agreement]	\$110]
Inactive Nominee Status Change (Seat Swap)	
Submission before 4:00 p.m. on date prior to effective date	\$[44]50
Submission after 4:00 p.m. on date prior to effective date	
or before 8:00 a.m. on effective date	\$[83]100
Submission after 8:00 a.m. on effective date	\$[165]200
Inactive Nominee Status (Parking Space) Quarterly Maintenance Fee	\$[660]750
Joint Account Application	\$1,000
Seat Transfer Fee	\$500
[Joint Account Participant Addition for Multiple Broker-Dealer Accounts]	\$250]
[Transfer of]Membership Transfer into Trust	\$[550]1,000
Non-member Customer Business	\$[550]1,000
Order Service Firm	\$1,650
Applicant, Member, or Associated Person Subject to	
a Statutory Disqualification	\$2,750
Change in Status that, if Approved, Would Require Amended	
or Additional Rule 19h-1(c) Filing	\$1,650

ALL FEES ARE NON-REFUNDABLE AND MUST ACCOMPANY APPLICATIONS

Individual (Owner/Nominee/[CBOT Exerciser]/Lessee/Lessor) - This fee is payable by [each] a new individual applicant for membership on the Exchange. The applicant's Fingerprint Processing Fee is included as part of this fee. (See also Trading Firm (Corporation/Partnership/LLC) below.)

New Member Orientation & Exam Fee - This fee [(for the New Member Orientation Program and Floor Member Qualification Exam)] is payable by each applicant seeking membership [as a Market-Maker or Floor Broker] that requires a trading function.

Trading Firm (Corporation/Partnership/LLC) - This fee is payable by each [new] firm applicant for membership wishing to trade on the Exchange. [If a member organization changes its legal structure (e.g., from partnership to corporation or the reverse, from partnership to LLC or the reverse, or from corporation to LLC or the reverse), the firm is considered a new entity and assessed all application fees. However, if a member organization changes its legal structure or in the event of a merger between current CBOE member organizations, General Partners, Executive Officers, LLC Managers, Principal Shareholders, Limited Partners and LLC Members listed on Form BD of the member organization(s) prior to the change will not be assessed any fees in connection with the change.] This fee encompasses the firm's membership application, one Individual Application Fee (Nominee) associated with the firm's membership application and Associated Person Fees for all associated persons that are part of the firm's membership application.

Lessor Firm (Corporation/Partnership/LLC) - This fee is payable by each lessor-only firm applicant for membership on the Exchange. This fee encompasses the firm's membership application and Associated Person Fees for all associated persons that are part of the firm's membership application.

[General Partner]Associated Person – [This fee is payable by each General Partner of a member firm applicant and each additional General partner who is added to such firm. General Partners must also be fingerprinted and incur the fingerprint processing fee.] The Associated Person Fee is charged for additions of certain individuals on a member firm's Form BD and includes the related Fingerprint Processing Fee (See also Trading Firm (Corporation/Partnership/LLC) below.). This fee is payable by each executive officer, general partner, or LLC Manager. Additionally, this fee is payable by each principal shareholder (5% or more direct ownership of a class of a voting security of a member firm corporation), limited partner who has the right to receive upon dissolution, or has contributed, 5% or more of the partnership's capital, and LLC member who has the right to receive upon dissolution, or has contributed, 5% or more of the LLC's capital. This fee is also payable by any persons classified as having "Control" of the member firm as defined in CBOE Rule 1.1(k).

[Executive Officer] - This fee is payable by each Executive Officer of a member firm applicant and each additional Executive Officer who is added to such firm. Executive Officers must also be fingerprinted and incur the fingerprint processing fee.]

[LLC Manager] - This fee is payable by each LLC Manager of an applicant LLC and each additional LLC Manager who is added to the LLC. LLC Managers must also be fingerprinted and incur the fingerprint processing fee.]

[Principal Shareholder] - This fee is payable by each Shareholder that directly owns 5% or more of a class of a voting security of an applicant corporation and each additional such Shareholder who is added to the corporation.]

[Limited Partner] - This fee is payable by each Limited Partner of an applicant partnership that has the right to receive upon dissolution, or has contributed, 5% or more of the partnership's capital and each additional such Limited Partner who is added to the partnership.]

[LLC Member] - This fee is payable by each LLC Member of an applicant LLC that has the right to receive upon dissolution, or has contributed, 5% or more of the LLC's capital and each additional such LLC Member who is added to the LLC. LLC Members must also be fingerprinted and incur the fingerprint processing fee.]

Fingerprint Processing Fee – [This fee is payable by all individual, nominee, CBOT exerciser, lessee, and lessor applicants and every General Partner, Executive Officer, LLC Member, and LLC Manager of member and applicant firms.] This Fee is assessed for employees of members and any other individual requesting the Exchange to

process a fingerprint, electronically or otherwise, excluding fingerprint requirements for individual applicants for membership, individuals applying for Renewal/Change of Status, and associated persons.

Lease Fee - The lease fee, payable by the lessee, must accompany every new lease agreement filed with the Exchange.

Renewal/Change of Status - This fee is payable (i) by an existing individual member [(including sole proprietors, nominees, CBOT exercisers, lessees, and lessors)] desiring to change membership status or (ii) by a former individual member who reapplies for membership within 9 months of his/her membership termination date and becomes an effective member within 1 year of his/her membership termination date. A former individual member who reapplies for membership within 9 months of termination from membership will be assessed the Renewal/Change of Status fee at the time of submission of the application. If that person becomes an effective member more than 1 year after his/her membership termination date, the person will then be charged an additional fee equal to the difference between the Individual [Nominee/CBOT Exerciser/Lessee/Lessor] [a]Application [f]Fee and the Renewal/Change of Status fee. This Fee includes the Fingerprint Processing Fee, if applicable.

[Bylaw, Partnership Agreement, and Operating Agreement Amendments - This fee is payable each time a member organization's bylaws, partnership agreement, or operating agreement is amended.]

Inactive Nominee Status Change (Seat Swap) Fee - This fee is payable whenever an inactive nominee moves to active status. The amount of this fee varies in accordance with when the Membership Department receives notice of the status change via the submission of a Notification of Change in Nominee Status Form. If the Notification Form is submitted before 4:00 p.m. on the date prior to the effective date of the status change, the fee is \$[44]50. If the Notification Form is submitted after 4:00 p.m. on the date prior to the effective date of the status change or before 8:00 a.m. on the effective date of the status change, the fee is \$[83]100. If the Notification Form is submitted after 8:00 a.m. on the effective date of the status change, the fee is \$[165]200. No fee [shall] appl[y]ies to moves from active to inactive status.

Inactive Nominee Status (Parking Space) Quarterly Maintenance Fee - This fee is payable quarterly by a member firm for each inactive nominee status ("parking space") that the firm wishes to maintain. (E.g., a member firm desiring the ability to have 3 [slots]parking spaces within which to designate inactive nominees would pay this fee at the beginning of each quarter for each of the 3 [slots]parking spaces.)

Joint Account Application - This fee is payable for each application to establish a new joint account.

Seat Transfer Fee - This Fee is assessed to a member for each transferable membership (seat) for which the Membership Committee has received a request for transfer under CBOE Rule 3.14. This fee is capped at \$2,000 for a request covering multiple seats.

[Joint Account Participant Addition for Multiple Broker-Dealer Accounts - This fee is payable to add a participant in any joint account with participants associated with more than one broker-dealer.]

[Transfer of]Membership Transfer into Trust - This fee is payable by every individual member applying to transfer his or her membership into trust pursuant to CBOE Rule 3.25.

Non-Member Customer Business - This fee is payable by applicant firms that plan to conduct a public customer business.

Order Service Firm - This fee is payable by applicant firms that plan to conduct an order service business pursuant to CBOE Rule 6.77.

Applicant, Member, or Associated Person Subject to a Statutory Disqualification - This fee is payable whenever a person or entity is subject to a statutory disqualification under the Securities Exchange Act of 1934 and: (i) is an applicant for Exchange membership, (ii) is seeking to be an associated person of an Exchange member (except where the Exchange is merely asked to concur in an SEC Rule 19h-1 filing by another self regulatory

organization), or (iii) is an existing Exchange member or associated person who makes an application in accordance with Rule 3.18(b) or with respect to whom a proceeding is initiated pursuant to Rule 3.18. This fee is in addition to any other membership fees that might be applicable.

Change in Status that, if Approved, Would Require Amended or Additional SEC Rule 19h-1(c) Filing - This fee is payable whenever a person or entity on whose behalf the Exchange has filed a Rule 19h-1(c) filing that has been approved by the SEC applies for a change in status that [will] require the Exchange to file an amended or additional Rule 19h-1(c) filing if the Exchange approves the requested change in status. This fee is in addition to any other membership fees that might be applicable.

Cap on Membership Fees for Organizational Restructuring - Membership application fees and other membership fees related to a member organization structural change (e.g., a change from a limited partnership to a limited liability company) are capped at \$10,000.

Any questions regarding this Regulatory Circular may be directed to Regina Millison at (312) 786-7452 or Stan Leimer at (312) 786-7299 in the Membership Department.