

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"/>
			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)	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**  
Provide a brief description of the proposed rule change (limit 250 characters).

**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	<input type="text" value="Jenny"/>	Last Name	<input type="text" value="Klebes"/>
Title	<input type="text" value="Senior Attorney"/>		
E-mail	<input type="text" value="klebes@cboe.com"/>		
Telephone	<input type="text" value="(312) 786-7466"/>	Fax	<input type="text" value="(312) 786-7919"/>

**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	<input type="text" value="05/21/2010"/>
By	<input type="text" value="Jenny L. Klebes"/>
	(Name)
	<input type="text" value="Senior Attorney / Assistant Secretary"/>
	(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 EFFS 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

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 I 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

(a) Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) proposes to amend its Fees Schedule to establish fees for transactions in all S&P 500 Dividend Index options, regardless of the specified accrual period. The text of the proposed rule change is set forth in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Exchange's Office of the Chairman pursuant to delegated authority on May 20, 2010.

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

(a) Purpose

The Exchange previously received approval to list options on the S&P 500 Dividend Index, which represents the accumulated ex-dividend amounts of all S&P 500 Index component securities over a specified accrual period (e.g., quarterly, semi-annually, annually), and recently approval to list options on the S&P 500 Annual Dividend Index with an applied scaling factor of 1.<sup>1</sup> The Exchange currently lists S&P 500 Dividend Index (“DVS”) options with a specified quarterly accrual period and will begin listing options on the S&P 500 Annual Dividend Index on May 25, 2010.

The purposes of this filing is to amend the CBOE Fees Schedule to extend the existing fees for transactions in DVS options to all options on the S&P 500 Dividend Index,

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<sup>1</sup> See Securities Exchange Act Release Nos. 61136 (December 10, 2009), 74 FR 66711 (December 16, 2009) (SR-CBOE-2009-022) and 62023 (May 3, 2010), 75 FR 25899 (May 10, 2010) (SR-CBOE-2010-039).

regardless of the specified accrual period.<sup>2</sup> Currently the established transaction fees for DVS options are as follows:

- \$0.20 per contract for Market-Maker and Designated Primary Market-Maker transactions;<sup>3</sup>
- \$0.20 per contract for member firm proprietary transactions;
- \$0.40 per contract for manually executed broker-dealer transactions;
- \$0.40 per contract for electronically executed broker-dealer transactions;
- \$0.40 per contract for voluntary professional transactions;
- \$0.40 per contract for professional transactions;
- \$0.40 per contract for customer transactions; and
- \$0.10 per contract CFLEX surcharge fee.

The Exchange also assesses a \$.10 per contract surcharge fee on all non-public customer transactions in DVS options to help the Exchange recoup license fees the Exchange pays to the reporting authority. Further, the Exchange's Liquidity Provider Sliding Scale applies to transaction fees in DVS options, but the Exchange's marketing fee<sup>4</sup> does not apply.

To affect the current proposal, the Exchange proposes to replace all references to "DVS" in the CBOE Fees Schedule with a reference to "S&P 500 Dividend Index." The transaction fees for options on the "S&P 500 Dividend Index" will apply to all options on the S&P 500 Dividend Index regardless of the specified accrual period (e.g., quarterly, semi-annually, annually).

The Exchange believes the rule change will further the Exchange's goal of introducing new products to the marketplace that are competitively priced.<sup>5</sup> Also, the Exchange states that the surcharge fee on all non-public customer transactions in options on the S&P 500 Dividend

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<sup>2</sup> See Securities Exchange Act Release No. 61295 (January 6, 2010) 75 FR 2166 (January 14, 2010) (SR-CBOE-2009-098) (filing establishing transaction fees for DVS options).

<sup>3</sup> This is the standard rate that is subject to the Liquidity Provider Sliding Scale as set forth in Footnote 10 to the Fees Schedule.

<sup>4</sup> See Footnote 6 of the Fees Schedule.

<sup>5</sup> Linkage order fees are inapplicable for options on CBOE's proprietary products.

Index is to help the Exchange recoup license fees the Exchange pays to Standard & Poor's Financial Services LLC to list options on the S&P 500 Dividend Index.

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (“Act”)<sup>6</sup>, in general, and furthers the objectives of Section 6(b)(4)<sup>7</sup> 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. The Exchange believes the fee changes proposed by this filing are equitable and reasonable in that will further the Exchange’s goal of introducing new products to the marketplace that are competitively priced and will help the Exchange recoup license fees that the Exchange pays to the reporting authority.

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.

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

(a) The proposed rule change has taken effect upon filing pursuant to Section

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<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(4).

19(b)(3)(A) of the Act.<sup>8</sup>

(b) The proposed rule change is designated by the Exchange as establishing or changing a due, fee, and other charges among its members and other persons using its facilities, thereby qualifying for effectiveness on filing pursuant to Section 19(b)(3)(A)(ii)<sup>9</sup> of the Act and subparagraph (f)(2) of Rule 19b-4<sup>10</sup> thereunder.

(c) Not applicable.

(d) Not applicable.

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.

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<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>10</sup> 7 C.F.R. 240.19b-4(f)(2).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-CBOE-2010-050)

Dated: \_\_\_\_\_

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Fees Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on \_\_\_\_\_2010, Chicago Board Options Exchange, Incorporated (“Exchange” or “CBOE”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as one establishing or changing a due, fee, or other charge imposed by CBOE under Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder.<sup>4</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend its Fees Schedule to establish fees for transactions in all S&P 500 Dividend Index options, regardless of the specified accrual period. 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.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

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

In its filing with the Commission, the self-regulatory organization 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange previously received approval to list options on the S&P 500 Dividend Index, which represents the accumulated ex-dividend amounts of all S&P 500 Index component securities over a specified accrual period (e.g., quarterly, semi-annually, annually), and recently approval to list options on the S&P 500 Annual Dividend Index with an applied scaling factor of 1.<sup>5</sup> The Exchange currently lists S&P 500 Dividend Index (“DVS”) options with a specified quarterly accrual period and will begin listing options on the S&P 500 Annual Dividend Index on May 25, 2010.

The purposes of this filing is to amend the CBOE Fees Schedule to extend the existing fees for transactions in DVS options to all options on the S&P 500 Dividend Index, regardless of the specified accrual period.<sup>6</sup> Currently the established transaction fees for DVS options are as follows:

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<sup>5</sup> See Securities Exchange Act Release Nos. 61136 (December 10, 2009), 74 FR 66711 (December 16, 2009) (SR-CBOE-2009-022) and 62023 (May 3, 2010), 75 FR 25899 (May 10, 2010) (SR-CBOE-2010-039).

<sup>6</sup> See Securities Exchange Act Release No. 61295 (January 6, 2010) 75 FR 2166 (January 14, 2010) (SR-CBOE-2009-098) (filing establishing transaction fees for DVS options).

- \$0.20 per contract for Market-Maker and Designated Primary Market-Maker transactions;<sup>7</sup>
- \$0.20 per contract for member firm proprietary transactions;
- \$0.40 per contract for manually executed broker-dealer transactions;
- \$0.40 per contract for electronically executed broker-dealer transactions;
- \$0.40 per contract for voluntary professional transactions;
- \$0.40 per contract for professional transactions;
- \$0.40 per contract for customer transactions; and
- \$0.10 per contract CFLEX surcharge fee.

The Exchange also assesses a \$.10 per contract surcharge fee on all non-public customer transactions in DVS options to help the Exchange recoup license fees the Exchange pays to the reporting authority. Further, the Exchange's Liquidity Provider Sliding Scale applies to transaction fees in DVS options, but the Exchange's marketing fee<sup>8</sup> does not apply.

To affect the current proposal, the Exchange proposes to replace all references to "DVS" in the CBOE Fees Schedule with a reference to "S&P 500 Dividend Index." The transaction fees for options on the "S&P 500 Dividend Index" will apply to all options on the S&P 500 Dividend Index regardless of the specified accrual period (e.g., quarterly, semi-annually, annually).

The Exchange believes the rule change will further the Exchange's goal of introducing new products to the marketplace that are competitively priced.<sup>9</sup> Also, the Exchange states that the surcharge fee on all non-public customer transactions in options on the S&P 500 Dividend Index is to help the Exchange recoup license fees the Exchange pays to Standard & Poor's Financial Services LLC to list options on the S&P 500 Dividend Index.

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<sup>7</sup> This is the standard rate that is subject to the Liquidity Provider Sliding Scale as set forth in Footnote 10 to the Fees Schedule.

<sup>8</sup> See Footnote 6 of the Fees Schedule.

<sup>9</sup> Linkage order fees are inapplicable for options on CBOE's proprietary products.

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act<sup>10</sup>, in general, and furthers the objectives of Section 6(b)(4)<sup>11</sup> 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. The Exchange believes the fee changes proposed by this filing are equitable and reasonable in that will further the Exchange's goal of introducing new products to the marketplace that are competitively priced and will help the Exchange recoup license fees that the Exchange pays to the reporting authority.

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 not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange neither solicited nor received comments on the proposal.

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

Because the foregoing proposed 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 Act<sup>12</sup> and subparagraph (f)(2) of Rule 19b-4<sup>13</sup> 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.

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<sup>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> 15 U.S.C. 78f(b)(4).

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>13</sup> 17 C.F.R. 240.19b-4(f)(2).

#### 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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2010-050 on the subject line.

##### Paper comments:

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

All submissions should refer to File Number SR-CBOE-2010-050. 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 Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. 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-2010-050 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

Dated: \_\_\_\_\_

Florence E. Harmon  
Deputy Secretary

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<sup>14</sup> 17 CFR 200.30-3(a)(12).

Exhibit 5

(Changes are indicated by underlining additions and [bracketing deletions].

Only those fees that are affected are shown.)

**CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED  
FEES SCHEDULE  
MAY [14] 21, 2010**

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

**EQUITY OPTIONS (13):**

I. – VII. No change.

**QQQQ and SPDR OPTIONS:**

I.-VII. No change.

**INDEX OPTIONS (includes ETF and HOLDRs options):**

**I. CUSTOMER (2):**

- SPX, PREMIUM > or = \$1.....**\$.44**
- SPX, PREMIUM < \$1.....**\$.35**
- DXL, OEX, XEO, [DVS] S&P 500 Dividend Index and VOLATILITY INDEXES (except OEX and XEO WEEKLYS).....**\$.40**
- OEX and XEO WEEKLYS.....**\$.30**
- OTHER INDEXES, ETFs and HOLDRs (9).....**\$.18**

**II. VOLUNTARY PROFESSIONAL:**

- DXL, OEX, XEO, [DVS] S&P 500 Dividend Index and VOLATILITY INDEXES.....**\$.40**
- OTHER INDEXES, ETFS AND HOLDRs.....**\$.20**

**III. PROFESSIONAL:**

- DXL, OEX, XEO, [DVS] S&P 500 Dividend Index and VOLATILITY INDEXES.....**\$.40**
- OTHER INDEXES, ETFS AND HOLDRs.....**\$.20**

**IV. CBOE MARKET-MAKER/DPM (standard rate, subject to sliding scale) (10).....**\$.20****

**V. MEMBER FIRM PROPRIETARY: (11).....**\$.20****

**VI. BROKER-DEALER (16)**

- OEX, XEO, SPX, [DVS] S&P 500 Dividend Index and VOLATILITY INDEXES.....**\$.40**
- OTHER INDEXES, ETFs and HOLDRs - MANUAL.....**\$.25**
- OTHER INDEXES, ETFs and HOLDRs - ELECTRONIC.....**\$.45**
- AIM EXECUTIONS.....**\$.20**

**VII. SURCHARGE FEE: (14)**

- VOLATILITY INDEXES.....**\$.08**
- OEX, XEO, SPX, [DVS] S&P 500 Dividend Index, DJX and DXL.....**\$.10**
- MNX, NDX and RUT.....**\$.15**

**VIII. CFLEX SURCHARGE FEE (17).....**\$.10****

For assistance, please contact John Mavindidze at 312-786-7689 (mavindidze@cboe.com) or Don Patton at 312-786-7026 (patton@cboe.com).

**CREDIT DEFAULT OPTIONS AND CREDIT DEFAULT BASKET OPTIONS:**

I – VI. No change.

**LIQUIDITY PROVIDER SLIDING SCALE (10):**

Tiers	Contracts per Month	Rate
First	First 85,000	20 cents
Second	Next 1,265,000	18 cents
Third	Next 2,075,000	15 cents
Fourth	Next 2,050,000	10 cents
Fifth	Next 5,025,000	3 cents
Sixth	Above 10,500,000	1 cent

**MEMBER FIRM PROPRIETARY SLIDING SCALE (11):**

Tiers	Contracts per Month	Rate
First	First 450,000	20 cents
Second	Next 225,000	15 cents
Third	Next 175,000	10 cents
Fourth	Next 100,000	5 cents
Fifth	Above 950,000	2 cents

2. **MARKETING FEE (6)**.....**\$.65**
- XSP.....**\$.10**
  - Penny Pilot Classes
    - Equity Options.....**\$.25**
    - OIH, SMH, XLE, and XLF.....**\$.25**
    - DIA and SPY.....**\$.10**
    - QQQQ and IWM.....**\$.00**
3. **FLOOR BROKERAGE FEE (1)(5)(15):**
- DXL, OEX and SPX INDEX OPTIONS.....**\$.04**
  - DXL, OEX and SPX CROSSED ORDERS.....**\$.02**
  - VOLATILITY INDEX OPTIONS.....**\$.02**
  - VOLATILITY INDEX CROSSED ORDERS.....**\$.01**

4. **SPONSORED USER FEES**

Registration Fee \$2,500 (one-time)\*

\* This fee is a one-time fee payable by a member organization for the registration of each of its Sponsored Users. The Sponsored User Program is governed by CBOE Rule 6.20A.

CBOE Sponsored User Inactivity Fee \$5,000 per month\*

\*This fee would be charged only if a CBOE Sponsored User is not software certified by CBOE and has not established a production network connection and passed a login test within 90 days of CBOE's acceptance of its Sponsored User registration status and would continue to apply until the Sponsored User has completed all of the foregoing requirements or the Sponsored User's registration status is withdrawn.

**FOOTNOTES:**

(1) – (5) No change.

(6) The marketing fee will be assessed only on transactions of Market-Makers, e-DPMs, and DPMs, resulting from (i) customer orders from payment accepting firms, or (ii) customer orders that have designated a "Preferred Market-Maker" under CBOE Rule 8.13 at the per contract rate provided above on all classes of equity options, options on HOLDERS, options on ETFs, and index options; except that the marketing fee shall not apply to DJX, DXL, EEM, EWC, EWT, IWM, MNX, MVR, OEX, QQQQ, RSP, SPX, VIX, VPL, VWO, XBI, XEO, [DVS] S&P 500 Dividend Index, binary options, credit default options, and credit default basket options. The fee will not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-member market-makers; transactions resulting from accommodation liquidations (cabinet trades); and transactions resulting from any of the strategies identified and/or defined in footnote 13 of this Fees Schedule; and transactions in the Penny Pilot classes resulting from orders executed through the Hybrid Agency Liaison under Rule 6.14. A Preferred Market-Maker will only be given access to the marketing fee funds generated from a Preferred order if the Preferred Market-Maker has an appointment in the class in which the Preferred order is received and executed.

**Rebate/Carryover Process.** If less than 80% of the marketing fee funds collected in a given month is paid out by the DPM or Preferred Market-Maker in a given month, then the Exchange would refund such surplus at the end of the month on a pro rata basis based upon contributions made by the Market-Makers, e-DPMs, and DPMs in that month. However, if 80% or more of the funds collected in a given month is paid out by the DPM or Preferred Market-Maker, there will not be a rebate for that month unless the DPM or Preferred Market-Maker elects to have funds rebated. In the absence of such election, any excess funds will be included in an Excess Pool of funds to be used by the DPM or Preferred Market-Maker in subsequent months. The total balance of

the Excess Pool of funds for a DPM or a Preferred Market-Maker cannot exceed \$100,000. If in any month the Excess Pool balance were to exceed \$100,000, the funds in excess of \$100,000 would be refunded on a pro rata basis based upon contributions made by the Market-Makers, DPMS, and e-DPMS in that month. In addition, in any month, a DPM or a Preferred Market-Maker can elect to have any funds in its Excess Pool refunded on a pro rata basis based upon contributions made by the Market-Makers, DPMS, and e-DPMS in that month.

Each month, the Exchange assesses an administrative fee of .45% on the total amount of the funds collected each month; provided, however, that beginning on October 1, 2007, no Market-Maker, e-DPM or DPM would contribute more than 15% of the total amount of funds raised by the .45% administrative fee.

**(7) - (17)** No change.

Remainder of Fees Schedule – No change.