

Required fields are shown with yellow backgrounds and asterisks.

Filing by C2 Options Exchange, Incorporated
 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		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<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)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

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 action (limit 250 characters, required when Initial is checked *).

Proposal to amend the Fees Schedule.

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 action.

First Name * Corinne Last Name * Klot
 Title * Attorney
 E-mail * klott@cboe.com
 Telephone * (312) 786-7793 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.

(Title *)

Date 04/10/2015 Attorney
 By Kyle Edwards

(Name *)

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.

Persona Not Validated - 1413903733929,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

Add Remove View

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 *

Add Remove View

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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

Add Remove View

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 the Proposed Rule Change

(a) C2 Options Exchange, Incorporated (the “Exchange” or “C2”) proposes to amend its Fees Schedule. The text of the proposed rule change is in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange’s President (or designee) pursuant to delegated authority approved the proposed rule change on March 30, 2015.

(b) Please refer questions and comments on the proposed rule change to Joanne Moffic-Silver, (312) 786-7462, or Corinne Klott (312) 786-7793, C2 Options Exchange, Incorporated, 400 South LaSalle, Chicago, Illinois 60605.

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

(a) Purpose

The Exchange proposes to amend its Fees Schedule.¹ Specifically, the Exchange proposes to amend its fees for the Russell 2000 Index (“RUT”). As of April 1, 2015, RUT is listed exclusively on C2 and Chicago Board Options Exchange, Incorporated (“CBOE”). As such, the Exchange proposes to make conforming changes to its Fees Schedule.

Currently the Exchange assesses different fees and rebates for simple and complex RUT orders. Specifically, for simple, non-complex RUT orders, the Exchange assesses the following per-contract fees structure (rebates in parentheses):

¹ C2 initially filed the proposed fee change on March 31, 2015 (SR-C2-2015-004). On April 9, 2015, C2 withdrew that filing and submitted this filing.

	Maker	Taker Fee
Public Customer	(\$.75)*	\$.80
C2 Market-Maker	\$.00	\$.80
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	\$.50	\$.80
Trades on the Open	\$.00	\$.00

For complex orders in RUT, the Exchange currently assesses the following per-contract fees structure (rebates in parentheses):

	Maker Fee/(Rebate)	Taker Fee/(Rebate)
Public Customer	(\$.75)*	(\$.75)*
C2 Market-Maker	\$.85	\$.85
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	\$.85	\$.85
Trades on the Open	\$.00	\$.00

The Exchange notes that for both simple and complex RUT orders, rebates do not apply to orders that trade with Public Customer complex orders. In such circumstances, there is no fee or rebate. In light of the new licensing arrangement for RUT, the Exchange seeks to amend its RUT fees structure. Specifically, the Exchange seeks to eliminate the Maker-Taker fee structure for RUT and instead adopt standard transaction fees. The Exchange also proposes to eliminate the Public Customer rebates for RUT, as well as change the current fee amounts assessed. The Exchange notes that Trades on the Open will continue to not be assessed a fee or rebate. For both simple and non-complex RUT orders, the Exchange proposes to assess the following per-contract fees:

RUT

Public Customer	\$.15
C2 Market-Maker	\$.35
All Other Origins	\$.55

(Professional Customer,
Firm, Broker/Dealer, non-C2
Market-Maker, JBO, etc.)
Trades on the Open \$.00

Additionally, the Exchange notes that it currently assesses an Index License Surcharge for RUT (“RUT Surcharge”) of \$0.30 per contract for all non-Public Customer orders. The Exchange now proposes to increase the RUT Surcharge from \$0.30 to 0.45 per contract in order to recoup the increased costs associated with the RUT license. The Exchange will still be subsidizing the costs of the RUT license.

Finally, the Exchange proposes to delete sections (B) and (D) from Section 1 of the Fees Schedule. The Exchange notes that as of January 2015, the fees for simple, non-complex orders in equities, multiply-listed index, ETF, and ETN options classes are the same and the fees for complex orders in equities, multiply-listed index, ETF, and ETN options classes are the same (i.e., there is no longer a distinction between fees and rebates for equities options class and multiply-listed index, ETF, and ETN options classes). As such, the Exchange proposes to consolidate its Fees Schedule and add “equities” to Section 1A and the current Section 1C (which will now be renumbered as “B”). The Exchange believes the proposed rule change will make the Fees Schedule easier to read and alleviate potential confusion. The Exchange notes that no substantive changes are being made by this change.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to

the Exchange and, in particular, the requirements of Section 6(b) of the Act.² Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)³ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,⁴ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes it is reasonable to charge different fee amounts to different user types in the manner proposed because the proposed fees are consistent with the price differentiation that exists today at other options exchanges (for example, the proposed fees are comparable with fees for other index option products, traded on CBOE - including RUT⁵). Additionally, while the Exchange notes that the fee structure for RUT is changing from a Maker-Taker structure to a standard transaction fees structure, the Exchange believes the proposed fee amounts for RUT orders are reasonable because the

² 15 U.S.C. 78f(b).

³ 15 U.S.C. 78f(b)(5).

⁴ 15 U.S.C. 78f(b)(4).

⁵ See CBOE Fees Schedule, Specified Proprietary Index Options Rate Table.

proposed fee amounts are within the range of standard transaction fee amounts charged for RUT at another exchange (i.e., CBOE).⁶

The Exchange believes it is reasonable, equitable and not unfairly discriminatory to eliminate the rebates for Public Customers for RUT transactions because the Exchange devotes a lot of resources to developing and maintain an exclusively-listed product and therefore does not desire to offer a rebate associated with exclusively-listed products. The Exchange notes that this proposed change will apply to all Public Customers for all RUT transactions. The Exchange also believes that it is equitable and not unfairly discriminatory to assess lower fees to Public Customers as compared to other market participants because Public Customer order flow enhances liquidity on the Exchange for the benefit of all market participants. Specifically, Public Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market-Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Moreover, the options industry has a long history of providing preferential pricing to Public Customers, and the Exchange's current Fees Schedule currently does so in many places, as do the fees structures of many other exchanges. Finally, all fee amounts listed as applying to Public Customers will be applied equally to all Public Customers (meaning that all Public Customers will be assessed the same amount).

The Exchange believes that it is equitable and not unfairly discriminatory to, assess lower fees to Market-Makers as compared to other market participants other than Public

⁶ See CBOE Fees Schedule, Specified Proprietary Index Options Rate Table, which shows that standard transaction fees for RUT orders range from \$0.18 per contract to \$0.65 per contract.

Customers because Market-Makers, unlike other market participants, take on a number of obligations, including quoting obligations, that other market participants do not have. Further, these lower fees offered to Market-Makers are intended to incent Market-Makers to quote and trade more on C2, thereby providing more trading opportunities for all market participants. Finally, all fee amounts listed as applying to Market-Makers will be applied equally to all Market-Makers (meaning that all Market-Makers will be assessed the same amount). Similarly, the Exchange notes that the RUT fee amounts for each separate type of other market participants will be assessed equally to all such market participants (i.e. all Broker-Dealer orders will be assessed the same amount, all Joint Back-Office orders will be assessed the same amount, etc.).

The Exchange believes increasing the RUT Surcharge is reasonable because the Exchange still pays more for the RUT license than the amount of the proposed RUT Surcharge (meaning that the Exchange is, and will still be, subsidizing the costs of the RUT license). This increase is equitable and not unfairly discriminatory because the increased amount will be assessed to all market participants to whom the RUT Surcharge applies. Not applying the RUT Index License Surcharge Fee to Public Customer orders is equitable and not unfairly discriminatory because this is designed to attract Public Customer RUT orders, which increases liquidity and provides greater trading opportunities to all market participants.

The Exchange believes that the proposed new fee structure for simple and complex RUT orders is equitable and not unfairly discriminatory because the structure and fee amounts are identical for both simple and complex RUT orders.

Finally, the Exchange believes that eliminating sections B and D of Section 1 of the Fees Schedule and consolidating it with current sections A and C, respectively, maintains clarity in the Fees Schedule and promotes just and equitable principles of trade by eliminating potential confusion and removing impediments to and perfecting the mechanism of a free and open market and a national market system.

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

C2 does not believe that the proposed rule changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because, while different fees are assessed to different market participants in some circumstances, these different market participants have different obligations and different circumstances as discussed above. For example, Market-Makers have quoting obligations that other market participants do not have. Further, the proposed fees structure for RUT is intended to encourage more trading of RUT, which brings liquidity to the Exchange and benefits all market participants.

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because RUT will now be exclusively listed on C2 (and CBOE). To the extent that the proposed changes make C2 a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become C2 market participants.

Item 5. 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 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) or Section 19(b)(7)(D)

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(2)⁸ thereunder.

(b) The Exchange designates that the proposed rule change establishes or changes a due, fee, or other charge imposed by the Exchange, which renders the proposed rule change effective upon filing with the Securities and Exchange Commission (the “Commission”). At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

(c) Not applicable.

(d) Not applicable.

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(2).

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

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

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

Exhibit 5. Proposed rule text if not included under Item 1(a).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-C2-2015-007]

[Insert date]

Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the Fees Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [insert date], C2 Options Exchange, Incorporated (the “Exchange” or “C2”) 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 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. The text of the proposed rule change is available on the Exchange’s website (<http://www.c2exchange.com/Legal/>), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

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 Exchange 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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

specified in Item IV below. The Exchange 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, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Fees Schedule.³ Specifically, the Exchange proposes to amend its fees for the Russell 2000 Index (“RUT”). As of April 1, 2015, RUT is listed exclusively on C2 and Chicago Board Options Exchange, Incorporated (“CBOE”). As such, the Exchange proposes to make conforming changes to its Fees Schedule.

Currently the Exchange assesses different fees and rebates for simple and complex RUT orders. Specifically, for simple, non-complex RUT orders, the Exchange assesses the following per-contract fees structure (rebates in parentheses):

	Maker	Taker Fee
Public Customer	(\$.75)*	\$.80
C2 Market-Maker	\$.00	\$.80
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	\$.50	\$.80
Trades on the Open	\$.00	\$.00

For complex orders in RUT, the Exchange currently assesses the following per-contract fees structure (rebates in parentheses):

	Maker Fee/(Rebate)	Taker Fee/(Rebate)
Public Customer	(\$.75)*	(\$.75)*
C2 Market-Maker	\$.85	\$.85
All Other Origins	\$.85	\$.85

³ C2 initially filed the proposed fee change on March 31, 2015 (SR-C2-2015-004). On April 9, 2015, C2 withdrew that filing and submitted this filing.

(Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)		
Trades on the Open	\$.00	\$.00

The Exchange notes that for both simple and complex RUT orders, rebates do not apply to orders that trade with Public Customer complex orders. In such circumstances, there is no fee or rebate. In light of the new licensing arrangement for RUT, the Exchange seeks to amend its RUT fees structure. Specifically, the Exchange seeks to eliminate the Maker-Taker fee structure for RUT and instead adopt standard transaction fees. The Exchange also proposes to eliminate the Public Customer rebates for RUT, as well as change the current fee amounts assessed. The Exchange notes that Trades on the Open will continue to not be assessed a fee or rebate. For both simple and non-complex RUT orders, the Exchange proposes to assess the following per-contract fees:

RUT		
Public Customer		\$.15
C2 Market-Maker		\$.35
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)		\$.55
Trades on the Open		\$.00

Additionally, the Exchange notes that it currently assesses an Index License Surcharge for RUT (“RUT Surcharge”) of \$0.30 per contract for all non-Public Customer orders. The Exchange now proposes to increase the RUT Surcharge from \$0.30 to 0.45 per contract in order to recoup the increased costs associated with the RUT license. The Exchange will still be subsidizing the costs of the RUT license.

Finally, the Exchange proposes to delete sections (B) and (D) from Section 1 of the Fees Schedule. The Exchange notes that as of January 2015, the fees for simple, non-

complex orders in equities, multiply-listed index, ETF, and ETN options classes are the same and the fees for complex orders in equities, multiply-listed index, ETF, and ETN options classes are the same (i.e., there is no longer a distinction between fees and rebates for equities options class and multiply-listed index, ETF, and ETN options classes). As such, the Exchange proposes to consolidate its Fees Schedule and add “equities” to Section 1A and the current Section 1C (which will now be renumbered as “B”). The Exchange believes the proposed rule change will make the Fees Schedule easier to read and alleviate potential confusion. The Exchange notes that no substantive changes are being made by this change.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁴ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁵ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

Section 6(b)(4) of the Act,⁶ which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes it is reasonable to charge different fee amounts to different user types in the manner proposed because the proposed fees are consistent with the price differentiation that exists today at other options exchanges (for example, the proposed fees are comparable with fees for other index option products, traded on CBOE - including RUT⁷). Additionally, while the Exchange notes that the fee structure for RUT is changing from a Maker-Taker structure to a standard transaction fees structure, the Exchange believes the proposed fee amounts for RUT orders are reasonable because the proposed fee amounts are within the range of standard transaction fee amounts charged for RUT at another exchange (i.e., CBOE).⁸

The Exchange believes it is reasonable, equitable and not unfairly discriminatory to eliminate the rebates for Public Customers for RUT transactions because the Exchange devotes a lot of resources to developing and maintain an exclusively-listed product and therefore does not desire to offer a rebate associated with exclusively-listed products. The Exchange notes that this proposed change will apply to all Public Customers for all RUT transactions. The Exchange also believes that it is equitable and not unfairly discriminatory to assess lower fees to Public Customers as compared to other market participants because Public Customer order flow enhances liquidity on the Exchange for the

⁶ 15 U.S.C. 78f(b)(4).

⁷ See CBOE Fees Schedule, Specified Proprietary Index Options Rate Table.

⁸ See CBOE Fees Schedule, Specified Proprietary Index Options Rate Table, which shows that standard transaction fees for RUT orders range from \$0.18 per contract to \$0.65 per contract.

benefit of all market participants. Specifically, Public Customer liquidity benefits all market participants by providing more trading opportunities, which attracts Market-Makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. Moreover, the options industry has a long history of providing preferential pricing to Public Customers, and the Exchange's current Fees Schedule currently does so in many places, as do the fees structures of many other exchanges. Finally, all fee amounts listed as applying to Public Customers will be applied equally to all Public Customers (meaning that all Public Customers will be assessed the same amount).

The Exchange believes that it is equitable and not unfairly discriminatory to, assess lower fees to Market-Makers as compared to other market participants other than Public Customers because Market-Makers, unlike other market participants, take on a number of obligations, including quoting obligations, that other market participants do not have. Further, these lower fees offered to Market-Makers are intended to incent Market-Makers to quote and trade more on C2, thereby providing more trading opportunities for all market participants. Finally, all fee amounts listed as applying to Market-Makers will be applied equally to all Market-Makers (meaning that all Market-Makers will be assessed the same amount). Similarly, the Exchange notes that the RUT fee amounts for each separate type of other market participants will be assessed equally to all such market participants (i.e. all Broker-Dealer orders will be assessed the same amount, all Joint Back-Office orders will be assessed the same amount, etc.).

The Exchange believes increasing the RUT Surcharge is reasonable because the Exchange still pays more for the RUT license than the amount of the proposed RUT

Surcharge (meaning that the Exchange is, and will still be, subsidizing the costs of the RUT license). This increase is equitable and not unfairly discriminatory because the increased amount will be assessed to all market participants to whom the RUT Surcharge applies. Not applying the RUT Index License Surcharge Fee to Public Customer orders is equitable and not unfairly discriminatory because this is designed to attract Public Customer RUT orders, which increases liquidity and provides greater trading opportunities to all market participants.

The Exchange believes that the proposed new fee structure for simple and complex RUT options is equitable and not unfairly discriminatory because the structure and fee amounts are identical for both simple and complex RUT orders.

Finally, the Exchange believes that eliminating sections B and D of Section 1 of the Fees Schedule and consolidating it with current sections A and C, respectively, maintains clarity in the Fees Schedule and promotes just and equitable principles of trade by eliminating potential confusion and removing impediments to and perfecting the mechanism of a free and open market and a national market system.

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

C2 does not believe that the proposed rule changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because, while different fees are assessed to different market participants in some circumstances, these different market participants have different obligations and different circumstances as discussed above. For example, Market-Makers have quoting obligations that other market participants do not have. Further, the

proposed fees structure for RUT is intended to encourage more trading of RUT, which brings liquidity to the Exchange and benefits all market participants.

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because RUT will now be exclusively listed on C2 (and CBOE). To the extent that the proposed changes make C2 a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become C2 market participants.

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 proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁹ and paragraph (f) of Rule 19b-4¹⁰ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f).

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-C2-2015-007 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-C2-2015-007. 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 website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, D.C. 20549 on official business days between the hours of 10:00 a.m.

and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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-C2-2015-007 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.¹¹

Secretary

¹¹ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

* * * * *

1. Transaction Fees

A) The following rates apply to simple, non-complex orders in all equity, multiply-listed index, ETF and ETN options classes. Listed rates are per contract.

	All except RUT	
	Maker	Taker Fee
Public Customer	(\$.37)*	\$.47
C2 Market-Maker	(\$.40)*	\$.48
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	(\$.35)*	\$.48
Trades on the Open	(\$0.00)	\$0.00

	[RUT]	
	[Maker]	[Taker Fee]
[Public Customer	(\$.75)*	\$.80
C2 Market-Maker	\$.00	\$.80
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	\$.50	\$.80
Trades on the Open	\$.00	\$.00]

* Rebates do not apply to orders that trade with Public Customer complex orders. In such a circumstance, there will be no fee or rebate.

[B) The following rates apply to simple, non-complex orders in all equity options classes. Listed rates are per contract.

	Maker	Taker Fee
Public Customer	(\$.37)*	\$.47
C2 Market-Maker	(\$.40)*	\$.48
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2	(\$.35)*	\$.48

Market-Maker, JBO, etc.)		
Trades on the Open	\$.00	\$.00

* Rebates do not apply to orders that trade with Public Customer complex orders. In such a circumstance, there will be no fee or rebate.]

[C]B) The following rates apply to complex orders in equity, multiply-listed index, ETF and ETN options classes. For transactions in which simple, non-complex orders execute against a complex order, each component of the complex order will be assessed the complex order fees listed in this Section 1C of this Fees Schedule, while the simple, non-complex orders will be assessed the transaction fees listed in Section 1A of this Fees Schedule. For transactions in which a complex order executes against another complex order, each component of the complex order will be assessed the complex order fees listed in this Section 1C of this Fees Schedule.

For executions that occur within the Complex Order Auction (“COA”) against auction responses, the incoming/auctioned order is considered maker, and auction responses are considered taker. Listed rates are per contract.

	All except RUT	
	Maker Fee/(Rebate)	Taker Fee/(Rebate)
Public Customer	(\$.35)*	(\$.35)*
C2 Market-Maker	\$.10	\$.45
All Other Origins (Professional Customer, Firm, Broker/Dealer, non- C2 Market-Maker, JBO, etc.)	\$.20	\$.45
Trades on the Open	\$.00	\$.00

	[RUT]	
	[Maker Fee/(Rebate)]	[Taker Fee/(Rebate)]
[Public Customer	(\$.75)*	(\$.75)*
C2 Market-Maker	\$.85	\$.85
All Other Origins (Professional Customer, Firm, Broker/Dealer, non- C2 Market-Maker, JBO, etc.)	\$.85	\$.85
Trades on the Open	\$.00	\$.00]

* The rebate will only apply to Public Customer complex orders that trade with non-Public Customer complex orders. In other circumstances, there will be no Maker or Taker fee or rebate.

[D) The following rates apply to complex orders in equity options classes. For transactions in which simple, non-complex orders execute against a complex order, each component of the complex order will be assessed the complex order fees listed in this Section 1D of this Fees Schedule, while the simple, non-complex orders will be assessed the transaction fees listed in Section 1B of this Fees Schedule. For transactions in which a complex order executes against another complex order, each component of the complex order will be assessed the complex order fees listed in this Section 1D of this Fees Schedule.

For executions that occur within the Complex Order Auction (“COA”) against auction responses, the incoming/auctioned order is considered maker, and auction responses are considered taker. Listed rates are per contract.

	Maker	Taker Fee/(Rebate)
Public Customer	(\$.35)*	(\$.35)*
C2 Market-Maker	\$.10	\$.45
All Other Origins (Professional Customer, Firm, Broker/Dealer, non-C2 Market-Maker, JBO, etc.)	\$.20	\$.45
Trades on the Open	\$.00	\$.00

* The rebate will only apply to Public Customer complex orders that trade with non-Public Customer complex orders. In other circumstances, there will be no Maker or Taker fee or rebate.]

C) The following rates apply to all executions in RUT. Listed rates are per contract.

	<u>Fee</u>
<u>Public Customer</u>	<u>\$.15</u>
<u>C2 Market-Maker</u>	<u>\$.35</u>
<u>All Other Origins (Professional Customer, Firm, Broker/Dealer, non- C2 Market-Maker, JBO, etc.)</u>	<u>\$.55</u>
<u>Trades on the Open</u>	<u>\$.00</u>

[E]D) Index License Surcharge Fees

Surcharge Fees apply to all non-Public Customer Transactions

Index	Per Contract
Russell 2000 Index (RUT)	\$. <u>30</u> <u>45</u>

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