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

File No.* SR - 2019 - * 106
Amendment No. (req. for Amendments *)

Filing by Cboe Exchange, Inc.

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

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☑	☐	☐	☐	☑	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
☑ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☐ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

The Exchange proposes to amend its Fees Schedule in connection with migration.

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 * Klott
Title * Assistant General Counsel
E-mail * cklott@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.

Date 11/01/2019
By Corinne Klott
(Name *)

(Title *)
Assistant General Counsel

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.

cklott@cboe.com

Required fields are shown with yellow backgrounds and asterisks.

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 * 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, 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 Add Remove View 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 Add Remove View	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 Add Remove View	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 Add Remove View	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) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend its Fees Schedule in connection with migration. The text of the proposed rule change is provided 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 October 2, 2019.

(b) Please refer questions and comments on the proposed rule change to Patrick Sexton, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7467, or Corinne Klott (312) 786-7793, Cboe Exchange, Inc., 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

In 2016, the Exchange’s parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) (“Cboe Global”), which is also the parent company of Cboe C2 Exchange, Inc. (“C2”), acquired Cboe EDGA Exchange, Inc. (“EDGA”), Cboe EDGX Exchange, Inc. (“EDGX” or “EDGX Options”), Cboe BZX Exchange, Inc. (“BZX” or “BZX Options”), and Cboe BYX Exchange, Inc. (“BYX” and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the “Cboe Affiliated Exchanges”). Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, and also migrate its current billing system to a new billing system, on October 7, 2019 (the "migration"). Accordingly, the Exchange proposes to amend certain fees in the Fees Schedule in connection with the migration.[1]

Consolidated Rate Tables

First, the Exchange proposes to reorganize and rename its standard transaction fee tables. Particularly, the Exchange proposes to consolidate its current rate tables for equity, ETF and ETN, and Index Products excluding Underlying Symbol List A into a single table and relocate its transaction fees relating to Sector Indexes into that table. As proposed, the Fees Schedule will consist of two transaction fee tables renamed as: (1) "Rate Table - All Products Excluding Underlying Symbol List A" and (2) "Rate Table - Underlying Symbol List A". The Exchange also proposes to make other clarifying, non-substantive changes such as: (i) separating out Clearing Trading Permit Holder Proprietary fees for Underlying Symbol List A into two line items: (1) Underlying Symbol List A excluding VIX and (2) VIX and (ii) consolidating and relocating fees for Broker-Dealer, Non-Trading Permit Holder Market Maker, Professional and Joint Back Office orders in RUT, RLG, RLV, RUI and UKXM into the section immediately above it (i.e., for fees for Broker-Dealer, Non-Trading Permit Holder Market Maker, Professional and Joint Back Office orders in OEX, XEO, SPX (incl SPXW) and VIX). The Exchange also proposes to indicate in the rate table that fees for RLG, RLV, RUI and UKXM are $0.00, as such fees are currently waived.[2] The Exchange notes the proposed

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1 The Exchange initially filed the proposed fee changes on October 4, 2019 (SR-CBOE-2019-097). On October 18, 2019, (but business date October 21, 2019) the Exchange withdrew that filing and replaced it with SR-CBOE-2019-101. On November 1, 2019, the Exchange withdrew that filing and submitted this filing.

2 The Exchange notes such waiver is in place through December 31, 2019. See Cboe Options Footnote 40, which footnote is appended to corresponding rates in the rate table as applicable. The proposed addition of Fee Code WR in the rate

consolidation and non-substantive changes are intended to make the Fees Schedule easier to read and not intended to change any fees other than what is discussed below.

Fee Codes

The Exchange first proposes to adopt and codify in its Fees Schedule fee codes for its standard transaction fees. The Exchange notes that on the Affiliated Exchanges, rather than returning a monetary value indicating the rebate or charge for an execution, a fee code is utilized as an indication of a fee classification corresponding to an item on the venue's fee schedule. Upon migration, the Exchange's new billing system will also utilize various fee codes. The Exchange believes incorporating these fee codes directly into the fees schedule will provide clarity in the Fees Schedule and allow Trading Permit Holders ("TPHs") to more easily validate their bills on a monthly basis.[3] The Exchange notes that none of these changes substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates.

Linkage

In addition to adopting fee codes for standard transaction fees, the Exchange proposes to adopt fee codes for Linkage Routing Fees. Currently, the Exchange's Fees Schedule provides generally that for Customer orders, in addition to the customary Cboe Options execution charges for each Customer order that is routed, the Exchange passes through the actual transaction fee assessed by the exchange(s) to which the order was

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table is not intended to make such waiver permanent and Footnote 40 continues to apply.

3 The Exchange also proposes to publish a list of its fee codes on its Website. The list will include the fee or rebate, fee code, and a description for each possible execution that could occur on the Exchange. The Exchange notes that this table is merely a consolidated table which lists each of the proposed fee codes that will be incorporated directly into the Fees Schedule.

routed plus an additional $0.15 per contract.[4] The Exchange also does not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. PULSe Workstation). For Non-Customer Orders, the Exchange assesses a $0.70 per contract routing fee in addition to the customary Cboe Options execution charges. Effective, October 7, 2019, the Exchange proposes to specifically specify the exact charge for linkage for each type of transaction and adopt a corresponding fee code. Particularly, the Exchange will list the fee code and transaction fee for routed (i) Customer orders routed to NYSE American, LLC ("AMEX"), BOX Exchange LLC ("BOX"), NASDAQ BX, Inc. ("BX"), Cboe EDGX Exchange, Inc. ("EDGX"), Nasdaq MRX, LLC ("MRX"), Miami International Securities Exchange, LLC ("MIAX"), or Nasdaq PHLX LLC ("PHLX") for ETF orders equal to or greater than 100 contracts, (ii) Customer orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, or PHLX for ETF orders less than 100 contracts and equity options, (iii) Customer orders routed to NYSE Arca, Inc. ("ARCA"), Cboe BZX Exchange, Inc., ("BZX"), Cboe C2 Exchange, Inc. ("C2"), Nasdaq ISE, LLC ("ISE"), Nasdaq GEMX, LLC ("GEMX"), MIAX Emerald, LLC ("Emerald"), MIAX PEARL, LLC ("Pearl"), or Nasdaq Stock Market LLC ("NOMX") for ETF orders equal to or greater than 100 contracts in Penny and Non-Penny classes, (iv) Customer orders routed to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl or NOMX for ETF orders less than 100 contracts and equity options in Penny and Non-Penny classes, (v)

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4 Multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received within 500 milliseconds are currently aggregated for purposes of determining the order quantity and will continue to be aggregated post-migration.

and Non-Customer Orders in Penny and Non-Penny classes. The proposed fees are as follows:

Capacity	Fee	Description
Customer	$0.33	Routed to AMEX, BOX, BX, EDGX, MRX, MIAX, PHLX, ≥ 100 contracts, ETF
	$0.15	Routed to AMEX, BOX, BX, EDGX, MRX, MIAX, PHLX, < 100 contracts ETF, Equity
	$0.83	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, ≥ 100 contracts ETF, Penny
	$1.18	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, ≥ 100 contracts ETF, Non-Penny
	$0.65	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Penny
	$1.00	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Non-Penny
Non-Customer	$1.17	Routed, Penny
	$1.45	Routed, Non-Penny

The Exchange notes that the linkage routing rates for (i) Non-Customer Orders and (ii) Customer Orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX are not changing. Rather the Exchange is merely expressing the fee as single rate for (1) Non-Customer orders by combining the $0.70 per contract fee and the customary Cboe Options execution charges (i.e., $0.47 per contract for Penny Classes and $0.75 per contract for Non-Penny Classes) and (2) for Customer Orders by combining the $0.15 per contract fee plus the customary Cboe Options execution charges (i.e., $0.00 for equity options and ETF orders less than 100 contracts and $0.18 per contract for ETF orders equal to or greater than 100 contracts) and the actual transaction fee assessed by the Exchange to which the order was routed (i.e., $0.00 for AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX .The Exchange notes that it is amending the linkage fee with respect to any order routed to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX. Particularly, unlike orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX, which do not assess fees for

Customer orders, ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX each assess slightly different fees for Customer orders. Instead of assessing different and distinct fees for orders routed to each of ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX, the Exchange proposes to simplify billing for these orders and instead assess the same fee.[5] Particularly, the Exchange proposes to assess the $0.15 per routing contract fee plus the customary Cboe Options execution charges (i.e., $0.00 for equity options and ETF orders less than 100 contracts and $0.18 per contract for ETF orders equal to or greater than 100 contracts) and the $0.50 per contract for Penny Classes and $0.85 per contract for Non-Penny Classes. The Exchange notes that other exchanges, including two of its Affiliated Exchanges, assess linkage fees expressed as a single fee for orders routed to these exchanges and that the proposed fees are in line with, and in some instances lower than, those fees.[6] The Exchange lastly proposes to eliminate the exception that the Exchange will not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. PULSe Workstation). The Exchange notes that it is not required to maintain such an exception and that it expects the impact of the proposed change to be relatively small.

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5 The Exchange notes that the range of standard fees assessed by ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX for Customer Orders in Penny Classes is between $0.41 per contract to $0.50 per contract and in Non-Penny Classes is either $0.84 per contract or $0.85 per contract.

6 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule, which both assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.85 per contract for penny classes and $1.25 per contract for non-penny classes (yielding fee codes RQ and RR, respectively). See also MIAX Options Fees Schedule which assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.65 per contract for penny classes and $1.00 per contract for non-penny classes.

Capacity

Recently, the Exchange filed to codify capacity codes in its Rules.[7] By way of background, the Exchange currently refers to capacity as "origin code", which codes are used to specify which type of market participant the order belongs to. Cboe Options origin codes had previously been codified in Regulatory Circular RG13-038. The recently codified Capacities (effective October 7, 2019), are the same as the Exchange's current origin codes (prior to October 7, 2019), except the proposed rule change replaces "W" with "U" and deletes "Y" (orders for the account of a specialist registered in the underlying stock at the primary exchange for trading the stock), which will not be available following migration. The Exchange's Fees Schedule currently identifies market participant types by "origin code". In light of the codified capacity codes in the Exchange Rules, the Exchange proposes to update references to "origin" to "capacity" and also update the proposed corresponding codes. The codes are as follows: B (account of a broker or dealer, including a Foreign Broker-Dealer), C (Public Customer account), F (OCC clearing firm proprietary account), J (joint back office account), L (non-Trading Permit Holder affiliate account), M (Market-Maker account), N (market-maker or specialist on another options exchange), U (Professional account). Additionally, the Exchange proposes to eliminate all references to the term "Voluntary Professional" as the Exchange is eliminating Voluntary Professionals, effective October 7, 2019.[8]

Execution Surcharge

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7 See Securities Exchange Act Release No 86173 (June 20, 2019) 84 FR 30267 (June 26, 2019) (SR-CBOE-2019-027).

8 Id.

The Exchange currently assesses an Execution Surcharge of $0.21 per contract for SPX Customer and Non-Customer, Non-Market Maker orders during the Regular Trading Hours ("RTH") session only (i.e., the surcharge does not apply during the Global Trading Hours ("GTH") session. Additionally, pursuant to Footnote 21 of the Fees Schedule, the Surcharge does not apply to (i) orders in SPX or SPXW options in the SPX electronic book for those SPX or SPXW options that are executed during opening rotation on the final settlement date of VIX options and futures which have the expiration that contribute to the VIX settlement and (ii) orders executed by a floor broker using a PAR terminal. The Exchange proposes to amend the Execution Surcharge in two ways.

First, the Exchange notes that upon migration, the Exchange will use the same Book for GTH and RTH (whereas today, each session has a separate Book). As such, the Exchange proposes to apply the SPX Execution Surcharge in both sessions. The Exchange notes that other executions surcharges, such as the SPXW Execution Surcharge, are also assessed in both RTH and GTH.

Next, the Exchange proposes to amend one of the exceptions to the SPX and SPXW Execution Surcharge. As noted above, the execution surcharge is currently waived for all SPX and SPXW option series that are (i) executed in the electronic book during opening rotation on the final settlement date of VIX options and futures and (ii) which have the expiration that is used to calculate the exercise or final settlement value ("constituent options series"). While the Exchange knows which expiration will be used to calculate the exercise or final settlement value prior to the opening, the actual SPX and SPXW series that the Exchange will use to calculate the exercise or settlement value ("settlement strip") are not known until after the opening. As such, the current exception applies to all constituent options series, as TPHs do not know which series in the constituent options series will ultimately contribute to the VIX settlement. Upon migration however, the Exchange will determine the settlement strip (i.e., series actually used) pursuant to an algorithm prior to the opening and announce such series.[9] As such, the Exchange believes it's appropriate to limit the current exception and apply it only to SPX/SPXW options that (i) are executed in the electronic book during opening rotation on the final settlement date of VIX options and futures and (ii) which have the expiration that are used in the VIX settlement calculation (as opposed to the constituent options series which encompasses series that may not have ultimately contributed to the VIX settlement calculation).

CFLEX AIM Response

The Exchange currently assesses a fee for CFLEX AIM Responses. More specifically, the CFLEX AIM Response fee applies to all broker-dealer and non-TPH Holder market-maker responses in all FLEX products, except Sector Indexes and Underlying Symbol List A[10], executed in the FLEX AIM or FLEX SAM auctions. This fee applies to such executions instead of the applicable standard transaction fee. The Exchange notes that currently FLEX Options trade on the Exchange's FLEX Hybrid Trading System ("CFLEX"), which is the Exchange's trading platform that allows FLEX

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9 See Exchange Rule 5.31(j)(1). The Exchange will disseminate the highest call strike and the lowest put strike that establish the strike range to all subscribers to the Exchange's data feeds that deliver opening auction update messages, no later than 8:45 a.m. Eastern Time on exercise settlement value determination days. The Exchange may update this strike range until 9:15 a.m. Eastern Time, and will disseminate any updates during that time period as soon as reasonably possible. Therefore, the final strike range of the settlement strip that the Exchange disseminates at 9:15 a.m. Eastern Time to market participants will be identical to that which the Exchange will use to calculate the VIX settlement value itself.

10 As of October 7, 2019, Underlying Symbol List A includes: OEX, XEO, RUT, RLG, RLV, RUI, UKXM, SPX (includes SPXw) and VIX. See Cboe Options Fees Schedule, Footnote 34.

Traders to submit electronic and open outcry request for quotes ("RFQs"), FLEX quotes in response to those RFQs, and FLEX Orders into the electronic book. Upon the Exchange's trading platform migration, FLEX trading will occur on the same Exchange System[11] as all other options trading occurs on the Exchange.[12] The Exchange notes it intends to continue to offer a FLEX AIM and FLEX SAM process to provide FLEX Orders with price improvement and electronic crossing opportunities. As FLEX trading (including FLEX AIM and SAM) will occur on the same trading platform as all other options trading (including AIM and SAM), the Exchange no longer wishes to maintain a distinct fee for FLEX AIM responses and proposes to eliminate the separate fee for FLEX AIM responses. The proposed change will result in FLEX AIM and FLEX SAM trades being treated the same as all AIM and SAM executions (i.e., no fees assessed for responses). In connection with the proposed change, the Exchange also proposes to eliminate Footnote 20 which applies to the CFLEX AIM Response Fee.

<u>Facilitation Waiver</u>

Pursuant to Footnote 11 of the Fees Schedule, the Exchange currently waives Clearing Trading Permit Holder Proprietary (capacity codes "F" and "L") transaction fees for (1) facilitation orders executed in open outcry or as a CFLEX transaction for products other than Sector Indexes and Underlying Symbol List A and (2) facilitation orders executed in open outcry, or electronically via AIM or as a QCC or CFLEX transactions

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11 The term "System" means the Exchange's hybrid trading platform that integrates electronic and open outcry trading of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub.

12 In connection with the transition of FLEX trading from the CFLEX system to the same system all other trading will occur, the Exchange proposes to eliminate references to "CFLEX" (and "FLEX Hybrid Trading System") and replace it with references to "FLEX".

orders in Sector Indexes.[13] Footnote 11 also currently defines "Facilitation orders" for this purpose as any order in which a Clearing Trading Permit Holder ("F" capacity code) or Non-Trading Permit Holder Affiliate ("L" capacity code) is contra to any other capacity code, provided the same executing broker and clearing firm are on both sides of the transaction (for open outcry) or both sides of a paired. The Exchange proposes to update Footnote 11 to provide that the current waivers for facilitation orders will apply only to volume executed in open outcry. The Exchange believes the proposed change would have a de minimis impact as historically there have been very few facilitation orders executed electronically. Lastly, in light of the proposed change, the Exchange proposes to eliminate Footnote 12 in its entirety. Particularly, Footnote 12 currently provides the Clearing Trading Permit Holder Proprietary Transaction Fee shall be waived for Clearing Trading Permit Holders executing facilitation orders in FLEX Options in all underlying symbols excluding Underlying Symbol List A and Sector Indexes. In light of the proposal to only waive fees for open outcry facilitation, this footnote would no longer be true with respect to facilitation orders executed electronically. The Exchange proposes to eliminate the footnote in its entirety in lieu of updating the footnote as it believes the language is redundant to Footnote 11, and is therefore not necessary to maintain. FLEX open outcry facilitations will continue to be waived and covered under Footnote 11

Stock-Option Orders

By way of background, stock-option orders are complex instruments that constitute the purchase or sale of a stated number of units of an underlying stock or a

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13 Facilitation for Sector Indexes are currently only waived through December 31, 2019. See Cboe Options Fees Schedule, Footnote 11. Open-outcry facilitation for Sector Indexes will continue to be waived through December 31, 2019.

security convertible into the underlying stock coupled with the purchase or sale of an option contract(s) on the opposite side of the market and execute in the same manner as complex orders. Currently, the stock portions of stock-option strategy orders are electronically communicated by the Exchange to a designated broker-dealer, who then manage the execution of such stock portions. In connection with this functionality, the Exchange assesses a stock handling fee of $0.0010 per share for the processing and routing by the Exchange of the stock portion of stock-option strategy orders executed through those mechanisms. A maximum of $50.00 per order is currently assessed under this fee. The Exchange notes that it largely passes through to TPHs the fees assessed to the Exchange by the designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders. The Exchange also notes that the designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders apply the $50 cap on a per execution basis, instead of a per order basis (meaning the Exchange may end up subsidizing certain orders depending on how they were filled)[14]. Now that the Exchange is migrating to a new billing system, the Exchange wishes to modify how the cap is applied in the billing system. Particularly, the Exchange proposes to similarly cap the stock option fee on a per execution basis instead of a per order basis, which will more closely align to how the Exchange's designated broker-

14 For example, take an order that involves 60,000 shares of a stock and is filled via two executions of 30,000 shares each. Under the current per order cap, the Exchange can only assess $50.00 as the fees for the original order is $60 which exceeds the cap (i.e., $0.0010 x 60,000 shares). The Exchange's designated broker-dealer meanwhile bills the exchange for each execution, resulting in $60 to the exchange (i.e., $0.0010 x 30,000 x 2). Under the proposed cap, the Exchange would be able to pass through the full $60 charge as neither execution of 30,000 contracts hit the $50 per execution cap.

dealer applies the cap. The Exchange notes another Exchange similarly caps its stock option handling fee at $50 per trade (instead of order).[15]

Inactive Nominee Stats Change ("Swap") Fee

Next the Exchange proposes to amend the Inactive Nominee Status Change fees. Particularly, under the Fees Schedule, a fee is assessed each time an inactive nominee swaps places with a nominee on a Trading Permit. The amount of such fee varies depending on what time the request for the swap occurs. Specifically, the Exchange assesses a fee of $55 if the request is submitted prior to 4:00 pm CT on the day prior to the effective date of the change; $110 if the request is submitted after 4:00 pm Ct on the day prior to the effective date of the change and $220 if the request is submitted after 8:00 am CT on the effective date of change. The Exchange recently proposed to waive these fees for the period of October 1 – October 4, 2019 as the Exchange's Trading Permit structure was being modified in connection with migration.[16] In order to simplify the fee structure and billing process for these permit changes going forward, the Exchange proposes to eliminate both the current waiver and fee structure and in its place assess a flat fee of $100, regardless of when the request for such change was submitted. The proposed change would therefore apply to all TPHs uniformly.

Subcabinet Trades

Currently, Footnote 32 of the Fees Schedule provides that the Exchange will assess no transaction fees or surcharges for subcabinet trades (i.e., limit orders with a price of at least $0 but less than $1 per options contract, per current Exchange Rule 6.54,

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15 See NASDAQ ISE Options Pricing Schedule, Section 4.12.

16 See SR-CBOE-2019-080.

Interpretation and Policy .03[17]). Additionally, the footnote provides that subcabinet trades will not count towards any volume thresholds or volume threshold calculations. To harmonize and simplify the Exchange's billing, the Exchange proposes to treat subcabinet trades (now called "sub-penny cabinet orders")[18] the same as cabinet trades (now called penny cabinet orders).[19] That is, the Exchange proposes to eliminate Footnote 32 in its entirety, which would result in normal transaction fees and surcharges applying to sub-penny cabinet trades and for such trades to be counted towards any volume thresholds or volume threshold calculations, as cabinet trades are today. The Exchange would also clarify in the Marketing Fee notes section that the Marketing Fee would not apply to sub-penny cabinet trades (which is the case today), as such exception also currently applies to cabinet trades.[20] The believes it's appropriate to treat subcabinet trades the same as cabinet trades for billing purposes as both orders are similar in that they are trades in listed options on the Exchange that are either worthless or inactive or

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17 The Exchange notes it inadvertently failed to update the Fees Schedule when Rule 6.54.03 was renumbered to 6.54.02. The Exchange also notes that it recently submitted a rule filing to relocate rules relating to both cabinet and subcabinet orders, effective October 7, 2019. See SR-CBOE-2019-58.

18 See Cboe Options Rule 5.85(h)(2). A sub-penny cabinet is a limit order with a price less than $0.01 per contact. Bids and offers for opening transactions for sub-penny cabinet orders are only permitted to accommodate closing transactions.

19 See Cboe Options Rule 5.12(h)(1). A penny cabinet is a limit order with a price of $0.01 per contract.

20 See Cboe Options Fees Schedule, Footnote 6. The Exchange notes that it is relocating the language in current Footnote 6 which governs the Marketing Fee program to the notes section of the Marketing Fee table in an effort to consolidate the Fees Schedule and make it easier to follow. The proposed clarification relating to the exclusion of sub-penny cabinet trades from the Marketing Fee program is therefore reflected in the new notes section and is not marked in Footnote 6. The Exchange also proposes to reference "penny cabinet trades" in the notes section instead of referencing "accommodation liquidations (cabinet trades)" as it does currently in Footnote 6. The Exchange notes the proposed reference is not a substantive change, but rather conforms terminology to the Exchange's rules.

not actively traded. Additionally, the Exchange believes the proposed change would have a de minimis impact as historically there have been very few sub-penny cabinet trades.

Exchange System Disruption

Footnote 36 of the Fees Schedule currently provides that under the Volume Incentive Program ("VIP")[21], the Exchange provides that in the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options, the Exchange will adjust the national customer volume in all underlying symbols excluding Underlying Symbol List A, Sector Indexes, MXEA, MXEF, MNX, NDX, DJX and XSP ("National Customer Volume") for the duration of the outage. In connection with the migration, the Exchange wishes to conform how it handles system disruptions to the way they are handled on its affiliate exchanges, Cboe BZX and Cboe EDGX.[22] Particularly, the Exchange proposes to provide that in the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options that lasts longer than 60 minutes, the Exchange will adjust the national volume in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), MXEA, MXEF, DJX and XSP for

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21 Under VIP, the Exchange credits each TPH the per contract amount set forth in the VIP table for Public Customer (origin code "C") orders transmitted by TPHs (with certain exceptions) and executed electronically on the Exchange, provided the TPH meets certain volume thresholds, in which volume for Professional Customers and Voluntary Professionals ("Professional Customers") (origin code "W"), Broker-Dealers (origin code "B"), and Joint Back-Offices ("JBO") (origin code "J") orders are counted toward reaching such thresholds. Specifically, the percentage thresholds are calculated per month based on the percentage of national customer volume in all underlying symbols entered and executed, excluding those in Underlying Symbol List A, Sector Indexes, MXEA, MXEF, MNX, NDX, DJX and XSP.

22 See Cboe EDGX Options Fees Schedule and Cboe BZX Options Fees Schedule. which provide volume is excluded from certain calculations on any day that the Exchange's system experiences a disruption that lasts more than 60 minutes during regular trading hours.

the entire trading day (instead of the duration of the outage). The Exchange also notes that currently, the Fees Schedule only explicitly addresses how it handles exchange outages and interruptions for VIP and is silent as to if and how it would adjust national volume in other incentive programs.[23] In order to clarify that the Exchange will apply the same approach to any affected incentive program, the Exchange proposes to eliminate the reference to exchange outages/interruptions in Footnote 36 and adopt in its place new Footnote 6[24]. Particularly, Footnote 6 will address how the Exchange handles outages/interruptions for all incentive programs that utilize national volume in determining certain tiers and thresholds, including VIP, as described above.

<u>Large Trade Discount</u>

Next the Exchange proposes to amend the Customer Large Trade Discount Program and a non-customer Large Trade Discount Program. By way of background, the Customer Large Trade Discount Program caps fees for customer orders of a certain size in VIX, SPX/SPXW, XSP, other index options and ETF and ETN options. The Large Trade Discount Program similarly caps fess for non-customer orders of a certain size in VIX options. Both programs provide that for an order to be eligible to qualify for the discount, the order in its entirety must be executed in either Global Trading Hours GTH or RTH, but not both. The Exchange notes that upon migration, the Book used during RTH will be the same Book used during GTH (as compared to today where the Exchange

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23 The Exchange notes that since the Fees Schedule never explicitly specified how the Exchange would adjust national volume in the event of an outage, no adjustments would have been made to any calculations for any program other than VIP.

24 The language under current Footnote 6 is relocating to the Marketing Fee Program table as discussed above. The Exchange proposes to therefore reuse Footnote 6 and adopt new language relating to system outages.

maintains separate Books for each session). As such it is possible for an order to now be executed over both sessions and still otherwise qualify for the caps under the programs. The Exchange therefore proposes to eliminate the language in the notes section of both tables providing that orders must be entirely executed in one session or another, but not both.

AIM Contra Fee

Currently, Footnote 18 of the Fees Schedule provides that the AIM Contra Execution Fee applies to all orders (excluding facilitation orders, per footnote 11) in all products, except Sector Indexes and Underlying Symbol List A, executed in AIM, SAM FLEX AIM and FLEX SAM auctions, that were initially entered as the contra party to an Agency/Primary Order. Footnote 18 also provides that instead of the applicable standard transaction fee, the AIM Contra Fee will apply to AIM Contra executions except if the applicable standard transaction fee is lower than $.07 per contract[25], in which case the applicable standard transaction fee will apply. To simplify the billing process, the Exchange proposes to eliminate this exception (i.e., the $0.07 per contract AIM Contra Execution Fee will always apply to all orders (excluding facilitation orders) in all products, except Sector Indexes and Underlying Symbol List A, executed in AIM, SAM FLEX AIM and FLEX SAM auctions, that were initially entered as the contra party to an Agency/Primary Order).

HAL to SUM

25 The Exchange notes that when the Exchange increased the AIM Contra fee from $0.05 per contract to $0.07 per contract, it inadvertently failed to update the increased amount in Footnote 18.

As part of the migration, the Exchange is harmonizing its rules in connection with routing services, including the Hybrid Agency Liaison ("HAL") and HAL on the Open ("HALO") system, to that of the Cboe Affiliated Exchanges. As part of the harmonization, the Exchange has proposed to rename HAL and HALO to "Step-Up Mechanism" (or "SUM"). As such, the Exchange proposes to replace all references to the Hal Agency Liaison, HAL, HAL on the Open or HALO, to "Step-Up Mechanism" or "SUM", as appropriate. The Exchange believes the proposed change will provide consistency between the Exchange Rule Book and Fees Schedule and alleviate potential confusion.

MNX and NDX

The Exchange next proposes to amend the Fees Schedule to remove references to MNX and NDX. The Exchange notes that it no longer lists MNX and NDX options and as such proposes to eliminate such references from the Fees Schedule, which will avoid potential confusion and provide clarity in the rules. The Exchange also proposes to modify how the percentage thresholds of National Customer Volume under VIP are calculate with respect to MNX and NDX. Currently, MNX and NDX are excluded from the National Customer Volume percentage thresholds, along with the Exchange's other proprietary products. As the Exchange no longer lists MNX and NDX, it believes it's appropriate to start including MNX and NDX volume in the percentage thresholds of National Customer Volume, as it does with volume from all other non-proprietary products.

(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.[26] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[27] 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,[28] 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.

First, the Exchange believes that a number of its proposed changes alleviate potential confusion and result in a Fees Schedule that is clearer and easier to follow, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest. Particularly, the Exchange believes its proposal to reorganize and consolidate its rate tables, along with its proposed non-substantive, clarifying changes to the rate tables described above, will result in a more transparent, simplified and easier to read Fees Schedule. The

[26] 15 U.S.C. 78f(b).

[27] 15 U.S.C. 78f(b)(5).

[28] 15 U.S.C. 78f(b)(4).

Exchange also believes the proposal to adopt fee codes is reasonable and equitable because the Exchange believes such fee codes provides further clarity in the Fees Schedule and the fee codes do not amend any fees or rebates that apply to trading activity on the Exchange. Rather, the proposed fee codes allow TPHs to more easily validate the bills that they receive from the Exchange, thus alleviating potential confusion.

The Exchange believes its proposal to (i) replace references to origin codes with capacity and capacity codes and (ii) replace references to "Hybrid Agency Liaison", "HAL" "HAL on the Open" and "HALO" with "Step-Up Mechanism" and "SUM" also provides clarity in the Fees Schedule. Particularly, as noted above, the Exchange is codifying in its rules the available capacity codes and replacing references to "Hybrid Agency Liaison", "HAL" "HAL on the Open" and "HALO" with "Step-Up Mechanism" and "SUM". The proposed changes therefore maintains consistency between its Rulebook and its Fees Schedule. Similarly, the Exchange believes it reduces potential confusion to eliminate references to "CFLEX" as the Exchange is transitioning its FLEX trading from the CFLEX platform to the same system all other trading will occur on. Removing references to MNX and NDX from the Fees Schedule also eliminates confusion as the Exchange no longer lists these products. The proposal to include MNX and NDX volume in the percentage thresholds under VIP is also reasonable, equitable and not unfairly discriminatory as the proposed change applies to all TPHs and because MNX and NDX are no longer proprietary products traded on the Exchange and should therefore be treated the same as other non-proprietary products.

The Exchange believes its proposed fees relating to linkage are reasonable as the proposed fees continue to take into account routing costs and are in line with amounts assessed by other exchanges, including its Affiliated Exchanges.[29] Moreover, the Exchange notes that all linkage costs are staying the same with the exception of orders routed to ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX. The Exchange believes the proposed fees for orders routed to ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX are reasonable as the fees are either the same as, or in some instances even lower than, fees assessed by other Exchanges when routed to these exchanges.[30] Moreover, the Exchange highlights that routing through the Exchange is voluntary and also notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues or providers of routing services if they deem fee levels to be excessive. The Exchange also believes the proposed change is reasonable as it simplifies billing for these orders. Furthermore, two of the Exchange's affiliated exchanges similarly assess linkage fees expressed as a single fee for orders routed to these exchanges and that the proposed fees are lower than those fees.[31] The Exchange believes it's proposal to eliminate the exception that the Exchange will not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal

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29 See e.g., See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule. See also NYSE Arca Options Fees and Charges, Routing Fees.

30 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule, which both assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX \$0.85 per contract for penny classes and \$1.25 per contract for non-penny classes (yielding fee codes RQ and RR, respectively). See also MIAX Options Fees Schedule which assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX \$0.65 per contract for penny classes and \$1.00 per contract for non-penny classes.

31 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule.

(e.g. PULSe Workstation) is reasonable as the Exchange is not required to maintain such an exception. Indeed, the Exchange is not aware of other Exchanges with a trading floor that maintain a similar exception to routing fees. The Exchange also expects the impact of the proposed change to be relatively small. The Exchange believes the proposed changes to linkage fees are equitable and not unfairly discriminatory because the proposed changes apply equally to all TPHs who chose to use the Exchange to route orders to other exchanges. TPHs that do not favor the proposed pricing can readily direct order flow directly to those other exchanges or through competing venues or providers of routing services.

The Exchange believes the proposal to apply the Execution Surcharge to orders in both the RTH and GTH session is reasonable because the amount of the surcharge will be the same for both the RTH and GTH session. Additionally, post-migration, the Exchange will use use the same Book for GTH and RTH, as compared to today where each session has a separate Book, and the Exchange therefore believes it's reasonable to assess the fee to both sessions. Moreover, the Exchange believes the proposed change is reasonable, equitable and not unfairly discriminatory as other execution surcharges, such as the execution surcharge for SPXW, also applies to orders in both RTH and GTH. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it applies uniformly to all TPHs.

The Exchange believes the amendment to Footnote 21 regarding the exception to the SPX and SPXW Execution Surcharges is reasonable as it will result in market participants at times not being required to pay these surcharges for SPX and/or SPXW transactions in the circumstances described. Particularly, the Exchange notes that it had adopted the exception in recognition that while liquidity is important to open all series on the Exchange, given the potential impact on the exercise settlement value determined for expiring volatility index derivatives, it was important to encourage a fair and orderly opening of the series that expire in the month used to calculate the final settlement value of expiring VIX derivatives. As discussed, the Exchange currently only applies such exception to constituent options series as only the expiration month used to calculate the final settlement is known prior to opening. Upon migration however, the Exchange (and TPHs) will know which series will actually be used to calculate the exercise or final settlement value prior to the opening. Accordingly, the Exchange does not believe the exception should continue to be broadly applied to all constituent options series, since only a subset of such series are used in the settlement value calculation and since such subset will now be known prior to opening. As such, the Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory and also notes it applies uniformly to all TPHs.

The Exchange believes it's reasonable to eliminate the CFLEX AIM Response fee as TPHs will no longer be subject to a fee for FLEX AIM responses. Moreover, as discussed, CFLEX AIM will no longer operate on a separate trading system upon migration. AIM (and SAM) for FLEX orders will operate on the same system as AIM (and SAM) for all other orders and the Exchange therefore believes it's reasonable to assess the same fees for FLEX and non-FLEX AIM and SAM orders. The Exchange believes the proposed change is equitable and not unfairly discriminatory because it applies uniformly to all TPHs.

The Exchange believes it's reasonable to limit its waiver of facilitation fees for orders executed in open-outcry only because the Exchange is not required to maintain a facilitation fee waiver for any transactions and notes that TPHs will still be eligible to receive the waiver for open-outcry transactions. Additionally, as noted above there have historically been very few electronic facilitation orders which were eligible for the current waiver, as compared to open-outcry facilitations which tend to be much more common. The Exchange therefore also believes the impact of the proposed change is de minimis. The Exchange believes the proposed change is equitable and not unfairly discriminatory because the proposed change applies uniformly to all TPHs and treats all electronic facilitation orders equally.

The Exchange believes its proposed change relating to how it caps the stock-option order fee is reasonable because the Exchange is capping the transactions the same way the Exchange's designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders caps (and bills the Exchange) for these orders. Specifically, the Exchange will merely no longer be subsidizing certain stock-option order transactions and the modified cap which will more closely align to how the Exchange's designated broker-dealer applies the cap. The Exchange believes the proposed change is also reasonable as it will not result in the Exchange collecting fees beyond what the Exchange itself is billed for by its designated broker-dealer. The Exchange notes another Exchange similarly caps its stock option handling fee at $50 per trade (instead of order).[32] The Exchange believes the proposed change is equitable and not unfairly discriminatory as it will be applied to all TPHs uniformly.

The Exchange believes the proposed change to the inactive nominee swap fee is reasonable because the fee is similar to the fees that were previously assessed for certain swaps. As discussed above, TPHs were previously subject to an inactive nominee swap fee

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32 See NASDAQ ISE Options Pricing Schedule, Section 4.12.

of $55, $110 or $220, depending on the time they submitted their request for a swap. The Exchange believes the proposed change provides for a simplified fee and billing structure (i.e., maintaining a single fee vs multiple fees based on time submissions). The proposed change is equitable and not unfairly discriminatory as it would apply to any TPH that is swapping inactive nominees on a Trading Permit uniformly.

The Exchange believes its proposed change relating to subcabinet trades (now referred to as "sub-penny cabinet trades") is reasonable as the proposed change results in sub-penny cabinet trades being treated the same as cabinet trades (now called "penny-cabinet trades"). The believes it's appropriate to treat sub-penny and penny cabinet trades the same as cabinet trades for billing purposes as both orders are similar in that they are trades in listed options on the Exchange that are either worthless or inactive or not actively traded and are both reported and processed like all other open outcry trades. The Exchange also believes the proposed change is reasonable, equitable and not unfairly discriminatory because it applies equally to all TPHs and because the Exchange believes the proposed change would have a de minimis impact as historically there have been very few sub-penny cabinet trades.

The Exchange believes its proposal to amend how it calculates national volume in the event of a system outage or trading interruption is reasonable as it conforms to the way the handles such outages on its affiliate exchanges, Cboe BZX and Cboe EDGX.[33] The Exchange also notes that it may not be possible in all instances to adjust national volume numbers for the period of the outage only. The Exchange believes the proposed

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[33] See Cboe EDGX Options Fees Schedule and Cboe BZX Options Fees Schedule. which provide volume is excluded from certain calculations on any day that the Exchange's system experiences a disruption that lasts more than 60 minutes during regular trading hours.

change also adds clarity to the Fees Schedule, as the Fees Schedule is currently silent as to how it calculates certain thresholds based on national volume for programs other than VIP. The proposed change therefore makes clear how different incentive programs are impacted in the event of a system outage or electronic trading interruption. The proposed rule change also applies uniformly to all TPHs.

The Exchange also believes its amendment to the Customer Large Trade Discount Large Trade Discount Programs are reasonable, equitable and not unfairly discriminatory. As discussed, the Book used during RTH will be the same Book used during GTH upon migration (as compared to today where each session has a separate Book). As such it will be possible for an order to be executed over both sessions upon migration and the Exchange therefore believes it's reasonable to eliminate requirement that orders must be entirely executed in one session or another, but not both. The Exchange believes the proposed change is also reasonable as orders that may not have otherwise been eligible for the discounts in the past because to this requirement may now be eligible. The proposed rule change also applies uniformly to all TPHs.

The Exchange believes its proposal to eliminate the exception to the AIM Contra Fee is reasonable, equitable and not unfairly discriminatory because TPHs will still not be paying more than the current AIM Contra Fee ($0.07) for AIM Contra orders that are subject to the AIM Contra Fee pursuant to Footnote 18. The proposed change also results in a simplified billing process and the Exchange notes that it is not requirement to maintain the current exception to the AIM Contra Fee. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it will be applied to all TPHs uniformly.

In sum, the Exchange believes the proposed changes described above incorporate updates to the Fees Schedule in connection with the migration of the Exchange's trading system and new billing system, conform certain billing practices to practices on the Exchange's affiliated exchanges, simplify billing practices and add clarity to the Fees Schedule. For the reasons discussed above, the Exchange believes the proposed changes are reasonable, equitable and unfairly discriminatory will apply uniformly to similarly situated TPHs. Finally, the Exchange believes that the proposed fee schedule will be easier to read for investors and will eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange does not believe that the proposed change will impose any burden on intramarket competitions that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes will be applied equally to all similarly situated TPHs. The Exchange also operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The proposed rule change continues to reflect a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes enhances market quality to the benefit of all TPHs.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange also notes that the proposed rule changes are precipitated by its upcoming migration of the Exchange's migration of its trading platform and billing system and not intended to address competitive issues. Rather, the proposed changes are generally being made in connection with changes resulting from migration and/or are designed to simplify the Exchange's billing processes post-migration.

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 Act[34] and Rule 19b-4(f)(2)[35] 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

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34 15 U.S.C. 78s(b)(3)(A).

35 17 CFR 240.19b-4(f)(2).

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.

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.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-CBOE-2019-106]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend its Fees Schedule in Connection with Migration

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], Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") 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

Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") proposes to amend its Fees Schedule in connection with migration. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

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 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

In 2016, the Exchange's parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) ("Cboe Global"), which is also the parent company of Cboe C2 Exchange, Inc. ("C2"), acquired Cboe EDGA Exchange, Inc. ("EDGA"), Cboe EDGX Exchange, Inc. ("EDGX" or "EDGX Options"), Cboe BZX Exchange, Inc. ("BZX" or "BZX Options"), and Cboe BYX Exchange, Inc. ("BYX" and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the "Cboe Affiliated Exchanges"). Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, and also migrate its current billing system to a new billing system, on October 7, 2019 (the "migration"). Accordingly, the Exchange proposes to amend certain fees in the Fees Schedule in connection with the migration.[3]

Consolidated Rate Tables

[3] The Exchange initially filed the proposed fee changes on October 4, 2019 (SR-CBOE-2019-097). On October 18, 2019, (but business date October 21, 2019) the Exchange withdrew that filing and replaced it with SR-CBOE-2019-101. On November 1, 2019, the Exchange withdrew that filing and submitted this filing.

First, the Exchange proposes to reorganize and rename its standard transaction fee tables. Particularly, the Exchange proposes to consolidate its current rate tables for equity, ETF and ETN, and Index Products excluding Underlying Symbol List A into a single table and relocate its transaction fees relating to Sector Indexes into that table. As proposed, the Fees Schedule will consist of two transaction fee tables renamed as: (1) "Rate Table - All Products Excluding Underlying Symbol List A" and (2) "Rate Table - Underlying Symbol List A". The Exchange also proposes to make other clarifying, non-substantive changes such as: (i) separating out Clearing Trading Permit Holder Proprietary fees for Underlying Symbol List A into two line items: (1) Underlying Symbol List A excluding VIX and (2) VIX and (ii) consolidating and relocating fees for Broker-Dealer, Non-Trading Permit Holder Market Maker, Professional and Joint Back Office orders in RUT, RLG, RLV, RUI and UKXM into the section immediately above it (i.e., for fees for Broker-Dealer, Non-Trading Permit Holder Market Maker, Professional and Joint Back Office orders in OEX, XEO, SPX (incl SPXW) and VIX). The Exchange also proposes to indicate in the rate table that fees for RLG, RLV, RUI and UKXM are $0.00, as such fees are currently waived.[4] The Exchange notes the proposed consolidation and non-substantive changes are intended to make the Fees Schedule easier to read and not intended to change any fees other than what is discussed below.

<u>Fee Codes</u>

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[4] The Exchange notes such waiver is in place through December 31, 2019. <u>See</u> Cboe Options Footnote 40, which footnote is appended to corresponding rates in the rate table as applicable. The proposed addition of Fee Code WR in the rate table is not intended to make such waiver permanent and Footnote 40 continues to apply.

The Exchange first proposes to adopt and codify in its Fees Schedule fee codes for its standard transaction fees. The Exchange notes that on the Affiliated Exchanges, rather than returning a monetary value indicating the rebate or charge for an execution, a fee code is utilized as an indication of a fee classification corresponding to an item on the venue's fee schedule. Upon migration, the Exchange's new billing system will also utilize various fee codes. The Exchange believes incorporating these fee codes directly into the fees schedule will provide clarity in the Fees Schedule and allow Trading Permit Holders ("TPHs") to more easily validate their bills on a monthly basis.[5] The Exchange notes that none of these changes substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates.

Linkage

In addition to adopting fee codes for standard transaction fees, the Exchange proposes to adopt fee codes for Linkage Routing Fees. Currently, the Exchange's Fees Schedule provides generally that for Customer orders, in addition to the customary Cboe Options execution charges for each Customer order that is routed, the Exchange passes through the actual transaction fee assessed by the exchange(s) to which the order was routed plus an additional $0.15 per contract.[6] The Exchange also does not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were

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5 The Exchange also proposes to publish a list of its fee codes on its Website. The list will include the fee or rebate, fee code, and a description for each possible execution that could occur on the Exchange. The Exchange notes that this table is merely a consolidated table which lists each of the proposed fee codes that will be incorporated directly into the Fees Schedule.

6 Multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received within 500 milliseconds are currently aggregated for purposes of determining the order quantity and will continue to be aggregated post-migration.

originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. PULSe Workstation). For Non-Customer Orders, the Exchange assesses a $0.70 per contract routing fee in addition to the customary Cboe Options execution charges. Effective, October 7, 2019, the Exchange proposes to specifically specify the exact charge for linkage for each type of transaction and adopt a corresponding fee code. Particularly, the Exchange will list the fee code and transaction fee for routed (i) Customer orders routed to NYSE American, LLC ("AMEX"), BOX Exchange LLC ("BOX"), NASDAQ BX, Inc. ("BX"), Cboe EDGX Exchange, Inc. ("EDGX"), Nasdaq MRX, LLC ("MRX"), Miami International Securities Exchange, LLC ("MIAX"), or Nasdaq PHLX LLC ("PHLX") for ETF orders equal to or greater than 100 contracts, (ii) Customer orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, or PHLX for ETF orders less than 100 contracts and equity options, (iii) Customer orders routed to NYSE Arca, Inc. ("ARCA"), Cboe BZX Exchange, Inc., ("BZX"), Cboe C2 Exchange, Inc. ("C2"), Nasdaq ISE, LLC ("ISE"), Nasdaq GEMX, LLC ("GEMX"), MIAX Emerald, LLC ("Emerald"), MIAX PEARL, LLC ("Pearl"), or Nasdaq Stock Market LLC ("NOMX") for ETF orders equal to or greater than 100 contracts in Penny and Non-Penny classes, (iv) Customer orders routed to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl or NOMX for ETF orders less than 100 contracts and equity options in Penny and Non-Penny classes, (v) and Non-Customer Orders in Penny and Non-Penny classes. The proposed fees are as follows:

Capacity	Fee	Description
Customer	$0.33	Routed to AMEX, BOX, BX, EDGX, MRX, MIAX, PHLX, ≥ 100 contracts, ETF
	$0.15	Routed to AMEX, BOX, BX, EDGX, MRX, MIAX, PHLX, < 100 contracts ETF, Equity
	$0.83	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL,

		NOMX, ≥ 100 contracts ETF, Penny
	$1.18	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, ≥ 100 contracts ETF, Non-Penny
	$0.65	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Penny
	$1.00	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Non-Penny
Non-Customer	$1.17	Routed, Penny
	$1.45	Routed, Non-Penny

The Exchange notes that the linkage routing rates for (i) Non-Customer Orders and (ii) Customer Orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX are not changing. Rather the Exchange is merely expressing the fee as single rate for (1) Non-Customer orders by combining the $0.70 per contract fee and the customary Cboe Options execution charges (i.e., $0.47 per contract for Penny Classes and $0.75 per contract for Non-Penny Classes) and (2) for Customer Orders by combining the $0.15 per contract fee plus the customary Cboe Options execution charges (i.e., $0.00 for equity options and ETF orders less than 100 contracts and $0.18 per contract for ETF orders equal to or greater than 100 contracts) and the actual transaction fee assessed by the Exchange to which the order was routed (i.e., $0.00 for AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX .The Exchange notes that it is amending the linkage fee with respect to any order routed to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX. Particularly, unlike orders routed to AMEX, BOX, BX, EDGX, MRX, MIAX, and PHLX, which do not assess fees for Customer orders, ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX each assess slightly different fees for Customer orders. Instead of assessing different and distinct fees for orders routed to each of ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX, the

Exchange proposes to simplify billing for these orders and instead assess the same fee.[7] Particularly, the Exchange proposes to assess the $0.15 per routing contract fee plus the customary Cboe Options execution charges (i.e., $0.00 for equity options and ETF orders less than 100 contracts and $0.18 per contract for ETF orders equal to or greater than 100 contracts) and the $0.50 per contract for Penny Classes and $0.85 per contract for Non-Penny Classes. The Exchange notes that other exchanges, including two of its Affiliated Exchanges, assess linkage fees expressed as a single fee for orders routed to these exchanges and that the proposed fees are in line with, and in some instances lower than, those fees.[8] The Exchange lastly proposes to eliminate the exception that the Exchange will not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. PULSe Workstation). The Exchange notes that it is not required to maintain such an exception and that it expects the impact of the proposed change to be relatively small.

Capacity

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7 The Exchange notes that the range of standard fees assessed by ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX for Customer Orders in Penny Classes is between $0.41 per contract to $0.50 per contract and in Non-Penny Classes is either $0.84 per contract or $0.85 per contract.

8 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule, which both assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.85 per contract for penny classes and $1.25 per contract for non-penny classes (yielding fee codes RQ and RR, respectively). See also MIAX Options Fees Schedule which assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.65 per contract for penny classes and $1.00 per contract for non-penny classes.

Recently, the Exchange filed to codify capacity codes in its Rules.[9] By way of background, the Exchange currently refers to capacity as "origin code", which codes are used to specify which type of market participant the order belongs to. Cboe Options origin codes had previously been codified in Regulatory Circular RG13-038. The recently codified Capacities (effective October 7, 2019), are the same as the Exchange's current origin codes (prior to October 7, 2019), except the proposed rule change replaces "W" with "U" and deletes "Y" (orders for the account of a specialist registered in the underlying stock at the primary exchange for trading the stock), which will not be available following migration. The Exchange's Fees Schedule currently identifies market participant types by "origin code". In light of the codified capacity codes in the Exchange Rules, the Exchange proposes to update references to "origin" to "capacity" and also update the proposed corresponding codes. The codes are as follows: B (account of a broker or dealer, including a Foreign Broker-Dealer), C (Public Customer account), F (OCC clearing firm proprietary account), J (joint back office account), L (non-Trading Permit Holder affiliate account), M (Market-Maker account), N (market-maker or specialist on another options exchange), U (Professional account). Additionally, the Exchange proposes to eliminate all references to the term "Voluntary Professional" as the Exchange is eliminating Voluntary Professionals, effective October 7, 2019.[10]

Execution Surcharge

The Exchange currently assesses an Execution Surcharge of $0.21 per contract for SPX Customer and Non-Customer, Non-Market Maker orders during the Regular

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9 See Securities Exchange Act Release No 86173 (June 20, 2019) 84 FR 30267 (June 26, 2019) (SR-CBOE-2019-027).

10 Id.

Trading Hours ("RTH") session only (i.e., the surcharge does not apply during the Global Trading Hours ("GTH") session. Additionally, pursuant to Footnote 21 of the Fees Schedule, the Surcharge does not apply to (i) orders in SPX or SPXW options in the SPX electronic book for those SPX or SPXW options that are executed during opening rotation on the final settlement date of VIX options and futures which have the expiration that contribute to the VIX settlement and (ii) orders executed by a floor broker using a PAR terminal. The Exchange proposes to amend the Execution Surcharge in two ways.

First, the Exchange notes that upon migration, the Exchange will use the same Book for GTH and RTH (whereas today, each session has a separate Book). As such, the Exchange proposes to apply the SPX Execution Surcharge in both sessions. The Exchange notes that other executions surcharges, such as the SPXW Execution Surcharge, are also assessed in both RTH and GTH.

Next, the Exchange proposes to amend one of the exceptions to the SPX and SPXW Execution Surcharge. As noted above, the execution surcharge is currently waived for all SPX and SPXW option series that are (i) executed in the electronic book during opening rotation on the final settlement date of VIX options and futures and (ii) which have the expiration that is used to calculate the exercise or final settlement value ("constituent options series"). While the Exchange knows which expiration will be used to calculate the exercise or final settlement value prior to the opening, the actual SPX and SPXW series that the Exchange will use to calculate the exercise or settlement value ("settlement strip") are not known until after the opening. As such, the current exception applies to all constituent options series, as TPHs do not know which series in the constituent options series will ultimately contribute to the VIX settlement. Upon migration however, the Exchange will determine the settlement strip (i.e., series actually used) pursuant to an algorithm prior to the opening and announce such series.[11] As such, the Exchange believes it's appropriate to limit the current exception and apply it only to SPX/SPXW options that (i) are executed in the electronic book during opening rotation on the final settlement date of VIX options and futures and (ii) which have the expiration that are used in the VIX settlement calculation (as opposed to the constituent options series which encompasses series that may not have ultimately contributed to the VIX settlement calculation).

CFLEX AIM Response

The Exchange currently assesses a fee for CFLEX AIM Responses. More specifically, the CFLEX AIM Response fee applies to all broker-dealer and non-TPH Holder market-maker responses in all FLEX products, except Sector Indexes and Underlying Symbol List A[12], executed in the FLEX AIM or FLEX SAM auctions. This fee applies to such executions instead of the applicable standard transaction fee. The Exchange notes that currently FLEX Options trade on the Exchange's FLEX Hybrid Trading System ("CFLEX"), which is the Exchange's trading platform that allows FLEX Traders to submit electronic and open outcry request for quotes ("RFQs"), FLEX quotes in response to those RFQs, and FLEX Orders into the electronic book. Upon the

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11 See Exchange Rule 5.31(j)(1). The Exchange will disseminate the highest call strike and the lowest put strike that establish the strike range to all subscribers to the Exchange's data feeds that deliver opening auction update messages, no later than 8:45 a.m. Eastern Time on exercise settlement value determination days. The Exchange may update this strike range until 9:15 a.m. Eastern Time, and will disseminate any updates during that time period as soon as reasonably possible. Therefore, the final strike range of the settlement strip that the Exchange disseminates at 9:15 a.m. Eastern Time to market participants will be identical to that which the Exchange will use to calculate the VIX settlement value itself.

12 As of October 7, 2019, Underlying Symbol List A includes: OEX, XEO, RUT, RLG, RLV, RUI, UKXM, SPX (includes SPXw) and VIX. See Cboe Options Fees Schedule, Footnote 34.

Exchange's trading platform migration, FLEX trading will occur on the same Exchange System[13] as all other options trading occurs on the Exchange.[14] The Exchange notes it intends to continue to offer a FLEX AIM and FLEX SAM process to provide FLEX Orders with price improvement and electronic crossing opportunities. As FLEX trading (including FLEX AIM and SAM) will occur on the same trading platform as all other options trading (including AIM and SAM), the Exchange no longer wishes to maintain a distinct fee for FLEX AIM responses and proposes to eliminate the separate fee for FLEX AIM responses. The proposed change will result in FLEX AIM and FLEX SAM trades being treated the same as all AIM and SAM executions (i.e., no fees assessed for responses). In connection with the proposed change, the Exchange also proposes to eliminate Footnote 20 which applies to the CFLEX AIM Response Fee.

<u>Facilitation Waiver</u>

Pursuant to Footnote 11 of the Fees Schedule, the Exchange currently waives Clearing Trading Permit Holder Proprietary (capacity codes "F" and "L") transaction fees for (1) facilitation orders executed in open outcry or as a CFLEX transaction for products other than Sector Indexes and Underlying Symbol List A and (2) facilitation orders executed in open outcry, or electronically via AIM or as a QCC or CFLEX transactions orders in Sector Indexes.[15] Footnote 11 also currently defines "Facilitation orders" for

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[13] The term "System" means the Exchange's hybrid trading platform that integrates electronic and open outcry trading of option contracts on the Exchange, and includes any connectivity to the foregoing trading platform that is administered by or on behalf of the Exchange, such as a communications hub.

[14] In connection with the transition of FLEX trading from the CFLEX system to the same system all other trading will occur, the Exchange proposes to eliminate references to "CFLEX" (and "FLEX Hybrid Trading System") and replace it with references to "FLEX".

[15] Facilitation for Sector Indexes are currently only waived through December 31,

this purpose as any order in which a Clearing Trading Permit Holder ("F" capacity code) or Non-Trading Permit Holder Affiliate ("L" capacity code) is contra to any other capacity code, provided the same executing broker and clearing firm are on both sides of the transaction (for open outcry) or both sides of a paired. The Exchange proposes to update Footnote 11 to provide that the current waivers for facilitation orders will apply only to volume executed in open outcry. The Exchange believes the proposed change would have a de minimis impact as historically there have been very few facilitation orders executed electronically. Lastly, in light of the proposed change, the Exchange proposes to eliminate Footnote 12 in its entirety. Particularly, Footnote 12 currently provides the Clearing Trading Permit Holder Proprietary Transaction Fee shall be waived for Clearing Trading Permit Holders executing facilitation orders in FLEX Options in all underlying symbols excluding Underlying Symbol List A and Sector Indexes. In light of the proposal to only waive fees for open outcry facilitation, this footnote would no longer be true with respect to facilitation orders executed electronically. The Exchange proposes to eliminate the footnote in its entirety in lieu of updating the footnote as it believes the language is redundant to Footnote 11, and is therefore not necessary to maintain. FLEX open outcry facilitations will continue to be waived and covered under Footnote 11

Stock-Option Orders

By way of background, stock-option orders are complex instruments that constitute the purchase or sale of a stated number of units of an underlying stock or a security convertible into the underlying stock coupled with the purchase or sale of an option contract(s) on the opposite side of the market and execute in the same manner as

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2019. See Cboe Options Fees Schedule, Footnote 11. Open-outcry facilitation for Sector Indexes will continue to be waived through December 31, 2019.

complex orders. Currently, the stock portions of stock-option strategy orders are electronically communicated by the Exchange to a designated broker-dealer, who then manage the execution of such stock portions. In connection with this functionality, the Exchange assesses a stock handling fee of $0.0010 per share for the processing and routing by the Exchange of the stock portion of stock-option strategy orders executed through those mechanisms. A maximum of $50.00 per order is currently assessed under this fee. The Exchange notes that it largely passes through to TPHs the fees assessed to the Exchange by the designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders. The Exchange also notes that the designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders apply the $50 cap on a per execution basis, instead of a per order basis (meaning the Exchange may end up subsidizing certain orders depending on how they were filled)[16]. Now that the Exchange is migrating to a new billing system, the Exchange wishes to modify how the cap is applied in the billing system. Particularly, the Exchange proposes to similarly cap the stock option fee on a per execution basis instead of a per order basis, which will more closely align to how the Exchange's designated broker-dealer applies the cap. The Exchange notes another Exchange similarly caps its stock option handling fee at $50 per trade (instead of order).[17]

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16 For example, take an order that involves 60,000 shares of a stock and is filled via two executions of 30,000 shares each. Under the current per order cap, the Exchange can only assess $50.00 as the fees for the original order is $60 which exceeds the cap (i.e., $0.0010 x 60,000 shares). The Exchange's designated broker-dealer meanwhile bills the exchange for each execution, resulting in $60 to the exchange (i.e., $0.0010 x 30,000 x 2). Under the proposed cap, the Exchange would be able to pass through the full $60 charge as neither execution of 30,000 contracts hit the $50 per execution cap.

17 See NASDAQ ISE Options Pricing Schedule, Section 4.12.

Inactive Nominee Stats Change ("Swap") Fee

Next the Exchange proposes to amend the Inactive Nominee Status Change fees. Particularly, under the Fees Schedule, a fee is assessed each time an inactive nominee swaps places with a nominee on a Trading Permit. The amount of such fee varies depending on what time the request for the swap occurs. Specifically, the Exchange assesses a fee of $55 if the request is submitted prior to 4:00 pm CT on the day prior to the effective date of the change; $110 if the request is submitted after 4:00 pm Ct on the day prior to the effective date of the change and $220 if the request is submitted after 8:00 am CT on the effective date of change. The Exchange recently proposed to waive these fees for the period of October 1 – October 4, 2019 as the Exchange's Trading Permit structure was being modified in connection with migration.[18] In order to simplify the fee structure and billing process for these permit changes going forward, the Exchange proposes to eliminate both the current waiver and fee structure and in its place assess a flat fee of $100, regardless of when the request for such change was submitted. The proposed change would therefore apply to all TPHs uniformly.

Subcabinet Trades

Currently, Footnote 32 of the Fees Schedule provides that the Exchange will assess no transaction fees or surcharges for subcabinet trades (i.e., limit orders with a price of at least $0 but less than $1 per options contract, per current Exchange Rule 6.54, Interpretation and Policy .03[19]). Additionally, the footnote provides that subcabinet trades

18 See SR-CBOE-2019-080.

19 The Exchange notes it inadvertently failed to update the Fees Schedule when Rule 6.54.03 was renumbered to 6.54.02. The Exchange also notes that it recently submitted a rule filing to relocate rules relating to both cabinet and subcabinet orders, effective October 7, 2019. See SR-CBOE-2019-58.

will not count towards any volume thresholds or volume threshold calculations. To harmonize and simplify the Exchange's billing, the Exchange proposes to treat subcabinet trades (now called "sub-penny cabinet orders")[20] the same as cabinet trades (now called penny cabinet orders).[21] That is, the Exchange proposes to eliminate Footnote 32 in its entirety, which would result in normal transaction fees and surcharges applying to sub-penny cabinet trades and for such trades to be counted towards any volume thresholds or volume threshold calculations, as cabinet trades are today. The Exchange would also clarify in the Marketing Fee notes section that the Marketing Fee would not apply to sub-penny cabinet trades (which is the case today), as such exception also currently applies to cabinet trades.[22] The believes it's appropriate to treat subcabinet trades the same as cabinet trades for billing purposes as both orders are similar in that they are trades in listed options on the Exchange that are either worthless or inactive or not actively traded. Additionally, the Exchange believes the proposed change would have a de minimis impact as historically there have been very few sub-penny cabinet trades.

Exchange System Disruption

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[20] See Cboe Options Rule 5.85(h)(2). A sub-penny cabinet is a limit order with a price less than $0.01 per contact. Bids and offers for opening transactions for sub-penny cabinet orders are only permitted to accommodate closing transactions.

[21] See Cboe Options Rule 5.12(h)(1). A penny cabinet is a limit order with a price of $0.01 per contract.

[22] See Cboe Options Fees Schedule, Footnote 6. The Exchange notes that it is relocating the language in current Footnote 6 which governs the Marketing Fee program to the notes section of the Marketing Fee table in an effort to consolidate the Fees Schedule and make it easier to follow. The proposed clarification relating to the exclusion of sub-penny cabinet trades from the Marketing Fee program is therefore reflected in the new notes section and is not marked in Footnote 6. The Exchange also proposes to reference "penny cabinet trades" in the notes section instead of referencing "accommodation liquidations (cabinet trades)" as it does currently in Footnote 6. The Exchange notes the proposed reference is not a substantive change, but rather conforms terminology to the Exchange's rules.

Footnote 36 of the Fees Schedule currently provides that under the Volume Incentive Program ("VIP")[23], the Exchange provides that in the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options, the Exchange will adjust the national customer volume in all underlying symbols excluding Underlying Symbol List A, Sector Indexes, MXEA, MXEF, MNX, NDX, DJX and XSP ("National Customer Volume") for the duration of the outage. In connection with the migration, the Exchange wishes to conform how it handles system disruptions to the way they are handled on its affiliate exchanges, Cboe BZX and Cboe EDGX.[24] Particularly, the Exchange proposes to provide that in the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options that lasts longer than 60 minutes, the Exchange will adjust the national volume in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), MXEA, MXEF, DJX and XSP for the entire trading day (instead of the duration of the outage). The Exchange also notes that currently, the Fees Schedule only explicitly addresses how it handles exchange outages and interruptions for VIP and is silent as to if and how it would adjust national

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23 Under VIP, the Exchange credits each TPH the per contract amount set forth in the VIP table for Public Customer (origin code "C") orders transmitted by TPHs (with certain exceptions) and executed electronically on the Exchange, provided the TPH meets certain volume thresholds, in which volume for Professional Customers and Voluntary Professionals ("Professional Customers") (origin code "W"), Broker-Dealers (origin code "B"), and Joint Back-Offices ("JBO") (origin code "J") orders are counted toward reaching such thresholds. Specifically, the percentage thresholds are calculated per month based on the percentage of national customer volume in all underlying symbols entered and executed, excluding those in Underlying Symbol List A, Sector Indexes, MXEA, MXEF, MNX, NDX, DJX and XSP.

24 See Cboe EDGX Options Fees Schedule and Cboe BZX Options Fees Schedule. which provide volume is excluded from certain calculations on any day that the Exchange's system experiences a disruption that lasts more than 60 minutes during regular trading hours.

volume in other incentive programs.[25] In order to clarify that the Exchange will apply the same approach to any affected incentive program, the Exchange proposes to eliminate the reference to exchange outages/interruptions in Footnote 36 and adopt in its place new Footnote 6[26]. Particularly, Footnote 6 will address how the Exchange handles outages/interruptions for all incentive programs that utilize national volume in determining certain tiers and thresholds, including VIP, as described above.

Large Trade Discount

Next the Exchange proposes to amend the Customer Large Trade Discount Program and a non-customer Large Trade Discount Program. By way of background, the Customer Large Trade Discount Program caps fees for customer orders of a certain size in VIX, SPX/SPXW, XSP, other index options and ETF and ETN options. The Large Trade Discount Program similarly caps fess for non-customer orders of a certain size in VIX options. Both programs provide that for an order to be eligible to qualify for the discount, the order in its entirety must be executed in either Global Trading Hours GTH or RTH, but not both. The Exchange notes that upon migration, the Book used during RTH will be the same Book used during GTH (as compared to today where the Exchange maintains separate Books for each session). As such it is possible for an order to now be executed over both sessions and still otherwise qualify for the caps under the programs. The Exchange therefore proposes to eliminate the language in the notes section of both

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25 The Exchange notes that since the Fees Schedule never explicitly specified how the Exchange would adjust national volume in the event of an outage, no adjustments would have been made to any calculations for any program other than VIP.

26 The language under current Footnote 6 is relocating to the Marketing Fee Program table as discussed above. The Exchange proposes to therefore reuse Footnote 6 and adopt new language relating to system outages.

tables providing that orders must be entirely executed in one session or another, but not both.

AIM Contra Fee

Currently, Footnote 18 of the Fees Schedule provides that the AIM Contra Execution Fee applies to all orders (excluding facilitation orders, per footnote 11) in all products, except Sector Indexes and Underlying Symbol List A, executed in AIM, SAM FLEX AIM and FLEX SAM auctions, that were initially entered as the contra party to an Agency/Primary Order. Footnote 18 also provides that instead of the applicable standard transaction fee, the AIM Contra Fee will apply to AIM Contra executions except if the applicable standard transaction fee is lower than $.07 per contract[27], in which case the applicable standard transaction fee will apply. To simplify the billing process, the Exchange proposes to eliminate this exception (i.e., the $0.07 per contract AIM Contra Execution Fee will always apply to all orders (excluding facilitation orders) in all products, except Sector Indexes and Underlying Symbol List A, executed in AIM, SAM FLEX AIM and FLEX SAM auctions, that were initially entered as the contra party to an Agency/Primary Order).

HAL to SUM

As part of the migration, the Exchange is harmonizing its rules in connection with routing services, including the Hybrid Agency Liaison ("HAL") and HAL on the Open ("HALO") system, to that of the Cboe Affiliated Exchanges. As part of the harmonization, the Exchange has proposed to rename HAL and HALO to "Step-Up

[27] The Exchange notes that when the Exchange increased the AIM Contra fee from $0.05 per contract to $0.07 per contract, it inadvertently failed to update the increased amount in Footnote 18.

Mechanism" (or "SUM"). As such, the Exchange proposes to replace all references to the Hal Agency Liaison, HAL, HAL on the Open or HALO, to "Step-Up Mechanism" or "SUM", as appropriate. The Exchange believes the proposed change will provide consistency between the Exchange Rule Book and Fees Schedule and alleviate potential confusion.

MNX and NDX

The Exchange next proposes to amend the Fees Schedule to remove references to MNX and NDX. The Exchange notes that it no longer lists MNX and NDX options and as such proposes to eliminate such references from the Fees Schedule, which will avoid potential confusion and provide clarity in the rules. The Exchange also proposes to modify how the percentage thresholds of National Customer Volume under VIP are calculate with respect to MNX and NDX. Currently, MNX and NDX are excluded from the National Customer Volume percentage thresholds, along with the Exchange's other proprietary products. As the Exchange no longer lists MNX and NDX, it believes it's appropriate to start including MNX and NDX volume in the percentage thresholds of National Customer Volume, as it does with volume from all other non-proprietary products.

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.[28] Specifically, the Exchange believes the proposed rule change is consistent with the

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28 15 U.S.C. 78f(b).

Section 6(b)(5)[29] 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,[30] 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.

First, the Exchange believes that a number of its proposed changes alleviate potential confusion and result in a Fees Schedule that is clearer and easier to follow, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest. Particularly, the Exchange believes its proposal to reorganize and consolidate its rate tables, along with its proposed non-substantive, clarifying changes to the rate tables described above, will result in a more transparent, simplified and easier to read Fees Schedule. The Exchange also believes the proposal to adopt fee codes is reasonable and equitable because the Exchange believes such fee codes provides further clarity in the Fees Schedule and the fee codes do not amend any fees or rebates that apply to trading activity on the Exchange. Rather, the proposed fee codes allow TPHs to more easily validate the bills that they receive from the Exchange, thus alleviating potential confusion.

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29 15 U.S.C. 78f(b)(5).

30 15 U.S.C. 78f(b)(4).

The Exchange believes its proposal to (i) replace references to origin codes with capacity and capacity codes and (ii) replace references to "Hybrid Agency Liaison", "HAL" "HAL on the Open" and "HALO" with "Step-Up Mechanism" and "SUM" also provides clarity in the Fees Schedule. Particularly, as noted above, the Exchange is codifying in its rules the available capacity codes and replacing references to "Hybrid Agency Liaison", "HAL" "HAL on the Open" and "HALO" with "Step-Up Mechanism" and "SUM". The proposed changes therefore maintains consistency between its Rulebook and its Fees Schedule. Similarly, the Exchange believes it reduces potential confusion to eliminate references to "CFLEX" as the Exchange is transitioning its FLEX trading from the CFLEX platform to the same system all other trading will occur on. Removing references to MNX and NDX from the Fees Schedule also eliminates confusion as the Exchange no longer lists these products. The proposal to include MNX and NDX volume in the percentage thresholds under VIP is also reasonable, equitable and not unfairly discriminatory as the proposed change applies to all TPHs and because MNX and NDX are no longer proprietary products traded on the Exchange and should therefore be treated the same as other non-proprietary products.

The Exchange believes its proposed fees relating to linkage are reasonable as the proposed fees continue to take into account routing costs and are in line with amounts assessed by other exchanges, including its Affiliated Exchanges.[31] Moreover, the Exchange notes that all linkage costs are staying the same with the exception of orders routed to ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX. The Exchange

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[31] See e.g., See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule. See also NYSE Arca Options Fees and Charges, Routing Fees.

believes the proposed fees for orders routed to ARCA, BZX, C2, ISE GEMX, Emerald, Pearl and NOMX are reasonable as the fees are either the same as, or in some instances even lower than, fees assessed by other Exchanges when routed to these exchanges.[32] Moreover, the Exchange highlights that routing through the Exchange is voluntary and also notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues or providers of routing services if they deem fee levels to be excessive. The Exchange also believes the proposed change is reasonable as it simplifies billing for these orders. Furthermore, two of the Exchange's affiliated exchanges similarly assess linkage fees expressed as a single fee for orders routed to these exchanges and that the proposed fees are lower than those fees.[33] The Exchange believes it's proposal to eliminate the exception that the Exchange will not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. PULSe Workstation) is reasonable as the Exchange is not required to maintain such an exception. Indeed, the Exchange is not aware of other Exchanges with a trading floor that maintain a similar exception to routing fees. The Exchange also expects the impact of the proposed change to be relatively small. The Exchange believes the proposed changes to linkage fees are equitable and not unfairly discriminatory because the proposed changes

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32 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule, which both assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.85 per contract for penny classes and $1.25 per contract for non-penny classes (yielding fee codes RQ and RR, respectively). See also MIAX Options Fees Schedule which assess for Routed Customer Orders to ARCA, BZX, C2, ISE, GEMX, Emerald, Pearl and NOMX $0.65 per contract for penny classes and $1.00 per contract for non-penny classes.

33 See Cboe BZX Options Exchange Fee Schedule and Cboe EDGX Options Exchange Fee Schedule.

apply equally to all TPHs who chose to use the Exchange to route orders to other exchanges. TPHs that do not favor the proposed pricing can readily direct order flow directly to those other exchanges or through competing venues or providers of routing services.

The Exchange believes the proposal to apply the Execution Surcharge to orders in both the RTH and GTH session is reasonable because the amount of the surcharge will be the same for both the RTH and GTH session. Additionally, post-migration, the Exchange will use the same Book for GTH and RTH, as compared to today where each session has a separate Book, and the Exchange therefore believes it's reasonable to assess the fee to both sessions. Moreover, the Exchange believes the proposed change is reasonable, equitable and not unfairly discriminatory as other execution surcharges, such as the execution surcharge for SPXW, also applies to orders in both RTH and GTH. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it applies uniformly to all TPHs.

The Exchange believes the amendment to Footnote 21 regarding the exception to the SPX and SPXW Execution Surcharges is reasonable as it will result in market participants at times not being required to pay these surcharges for SPX and/or SPXW transactions in the circumstances described. Particularly, the Exchange notes that it had adopted the exception in recognition that while liquidity is important to open all series on the Exchange, given the potential impact on the exercise settlement value determined for expiring volatility index derivatives, it was important to encourage a fair and orderly opening of the series that expire in the month used to calculate the final settlement value of expiring VIX derivatives. As discussed, the Exchange currently only applies such exception to constituent options series as only the expiration month used to calculate the final settlement is known prior to opening. Upon migration however, the Exchange (and TPHs) will know which series will actually be used to calculate the exercise or final settlement value prior to the opening. Accordingly, the Exchange does not believe the exception should continue to be broadly applied to all constituent options series, since only a subset of such series are used in the settlement value calculation and since such subset will now be known prior to opening. As such, the Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory and also notes it applies uniformly to all TPHs.

The Exchange believes it's reasonable to eliminate the CFLEX AIM Response fee as TPHs will no longer be subject to a fee for FLEX AIM responses. Moreover, as discussed, CFLEX AIM will no longer operate on a separate trading system upon migration. AIM (and SAM) for FLEX orders will operate on the same system as AIM (and SAM) for all other orders and the Exchange therefore believes it's reasonable to assess the same fees for FLEX and non-FLEX AIM and SAM orders. The Exchange believes the proposed change is equitable and not unfairly discriminatory because it applies uniformly to all TPHs.

The Exchange believes it's reasonable to limit its waiver of facilitation fees for orders executed in open-outcry only because the Exchange is not required to maintain a facilitation fee waiver for any transactions and notes that TPHs will still be eligible to receive the waiver for open-outcry transactions. Additionally, as noted above there have historically been very few electronic facilitation orders which were eligible for the current waiver, as compared to open-outcry facilitations which tend to be much more common. The Exchange therefore also believes the impact of the proposed change is de minimis. The Exchange believes the proposed change is equitable and not unfairly discriminatory because the proposed change applies uniformly to all TPHs and treats all electronic facilitation orders equally.

The Exchange believes its proposed change relating to how it caps the stock-option order fee is reasonable because the Exchange is capping the transactions the same way the Exchange's designated broker-dealer that manages the execution of the stock portions of stock-option strategy orders caps (and bills the Exchange) for these orders. Specifically, the Exchange will merely no longer be subsidizing certain stock-option order transactions and the modified cap which will more closely align to how the Exchange's designated broker-dealer applies the cap. The Exchange believes the proposed change is also reasonable as it will not result in the Exchange collecting fees beyond what the Exchange itself is billed for by its designated broker-dealer. The Exchange notes another Exchange similarly caps its stock option handling fee at $50 per trade (instead of order).[34] The Exchange believes the proposed change is equitable and not unfairly discriminatory as it will be applied to all TPHs uniformly.

The Exchange believes the proposed change to the inactive nominee swap fee is reasonable because the fee is similar to the fees that were previously assessed for certain swaps. As discussed above, TPHs were previously subject to an inactive nominee swap fee of $55, $110 or $220, depending on the time they submitted their request for a swap. The Exchange believes the proposed change provides for a simplified fee and billing structure (i.e., maintaining a single fee vs multiple fees based on time submissions). The proposed change is equitable and not unfairly discriminatory as it would apply to any TPH that is swapping inactive nominees on a Trading Permit uniformly.

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[34] See NASDAQ ISE Options Pricing Schedule, Section 4.12.

The Exchange believes its proposed change relating to subcabinet trades (now referred to as "sub-penny cabinet trades") is reasonable as the proposed change results in sub-penny cabinet trades being treated the same as cabinet trades (now called "penny-cabinet trades"). The believes it's appropriate to treat sub-penny and penny cabinet trades the same as cabinet trades for billing purposes as both orders are similar in that they are trades in listed options on the Exchange that are either worthless or inactive or not actively traded and are both reported and processed like all other open outcry trades. The Exchange also believes the proposed change is reasonable, equitable and not unfairly discriminatory because it applies equally to all TPHs and because the Exchange believes the proposed change would have a de minimis impact as historically there have been very few sub-penny cabinet trades.

The Exchange believes its proposal to amend how it calculates national volume in the event of a system outage or trading interruption is reasonable as it conforms to the way the handles such outages on its affiliate exchanges, Cboe BZX and Cboe EDGX.[35] The Exchange also notes that it may not be possible in all instances to adjust national volume numbers for the period of the outage only. The Exchange believes the proposed change also adds clarity to the Fees Schedule, as the Fees Schedule is currently silent as to how it calculates certain thresholds based on national volume for programs other than VIP. The proposed change therefore makes clear how different incentive programs are impacted in the event of a system outage or electronic trading interruption. The proposed rule change also applies uniformly to all TPHs.

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35 See Cboe EDGX Options Fees Schedule and Cboe BZX Options Fees Schedule. which provide volume is excluded from certain calculations on any day that the Exchange's system experiences a disruption that lasts more than 60 minutes during regular trading hours.

The Exchange also believes its amendment to the Customer Large Trade Discount Large Trade Discount Programs are reasonable, equitable and not unfairly discriminatory. As discussed, the Book used during RTH will be the same Book used during GTH upon migration (as compared to today where each session has a separate Book). As such it will be possible for an order to be executed over both sessions upon migration and the Exchange therefore believes it’s reasonable to eliminate requirement that orders must be entirely executed in one session or another, but not both. The Exchange believes the proposed change is also reasonable as orders that may not have otherwise been eligible for the discounts in the past because to this requirement may now be eligible. The proposed rule change also applies uniformly to all TPHs.

The Exchange believes its proposal to eliminate the exception to the AIM Contra Fee is reasonable, equitable and not unfairly discriminatory because TPHs will still not be paying more than the current AIM Contra Fee ($0.07) for AIM Contra orders that are subject to the AIM Contra Fee pursuant to Footnote 18. The proposed change also results in a simplified billing process and the Exchange notes that it is not requirement to maintain the current exception to the AIM Contra Fee. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it will be applied to all TPHs uniformly.

In sum, the Exchange believes the proposed changes described above incorporate updates to the Fees Schedule in connection with the migration of the Exchange’s trading system and new billing system, conform certain billing practices to practices on the Exchange’s affiliated exchanges, simplify billing practices and add clarity to the Fees Schedule. For the reasons discussed above, the Exchange believes the proposed changes are reasonable, equitable and unfairly discriminatory will apply uniformly to similarly situated TPHs. Finally, the Exchange believes that the proposed fee schedule will be easier to read for investors and will eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange does not believe that the proposed change will impose any burden on intramarket competitions that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes will be applied equally to all similarly situated TPHs. The Exchange also operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The proposed rule change continues to reflect a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange, which the Exchange believes enhances market quality to the benefit of all TPHs.

The Exchange does not believe that the proposed rule change will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange also notes that the proposed rule changes are precipitated by its upcoming migration of the Exchange's migration of its trading platform and billing system and not intended to address competitive issues. Rather, the proposed changes are generally being made in connection with changes resulting from migration and/or are designed to simplify the Exchange's billing processes post-migration.

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 Act[36] and paragraph (f) of Rule 19b-4[37] 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.

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-2019-106 on the subject line.

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36 15 U.S.C. 78s(b)(3)(A).

37 17 CFR 240.19b-4(f).

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-CBOE-2019-106. 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-CBOE-2019-106 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.[38]

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[38] 17 CFR 200.30-3(a)(12).

Secretary

Cboe Exchange, Inc.

Fees Schedule - November 1, 2019

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Options Transaction Fees (1)(3)(4)(7)(15)[(32)](33)(39)

[Equity Options Rate Table (13)]		[Transaction Fee Per Contract]						
		[Manual]		[Electronic]				
[Origin]	[Origin Code]	[Penny Classes]	[Non-Penny Classes]	[Penny Classes]	[Non-Penny Classes]	[AIM Agency/Primary (19)]	[AIM Contra (18)]	[CFLEX AIM Response (20)]
[Customer]	[C]	[$0.00]						
[Clearing Trading Permit Holder Proprietary (11)(12)(16)]	[F L]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]		[$0.43]	[$0.70]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]	[$0.07]	[$0.25]
[Facilitation (11)]	[F L]	[$0.00]						[$0.00]
[Cboe Options Market-Maker/DPM/LMM (10)]	[M]	[See Liquidity Provider Sliding Scale and Liquidity Provider Sliding Scale Adjustment Table]						
[Broker-Dealer (16)]	[B]	[$0.25]		[$0.47]	[$0.75]	[$0.20]	[$0.07]	[$0.25]
[Non-Trading Permit Holder Market Maker (16)]	[N]							
[Professional /Voluntary Professional /Joint Back-Office]	[W J]	[$0.12 W Origin Code Only]						[$0.30]
[Complex Surcharge (35)]	[F J L M B N W]			[$0.12]				

[ETF and ETN Options Rate Table (13)]		[Transaction Fee Per Contract]						
		[Manual]		[Electronic]				
[Origin]	[Origin Code]	[Penny Classes]	[Non-Penny Classes]	[Penny Classes]	[Non-Penny Classes]	[AIM Agency/Primary (19)]	[AIM Contra (18)]	[CFLEX AIM Response (20)]
[Customer (2)(8)(9)]	[C]	[$0.00]		[$0.00 if adding liquidity (Maker)/ $0.18 if original order size is 100 contracts or greater and removing liquidity (Taker)]		[$0.00]		
[Clearing Trading Permit Holder Proprietary (11)(12)(16)]	[F L]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]		[$0.43]	[$0.70]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]	[$0.07]	[$0.25]
[Facilitation (11)]	[F L]	[$0.00]						[$0.00]
[Cboe Options Market-Maker/DPM/LMM (10)]	[M]	[See Liquidity Provider Sliding Scale and Liquidity Provider Sliding Scale Adjustment Table]						
[Broker-Dealer (16)]	[B]	[$0.25]		[$0.47]	[$0.75]	[$0.20]	[$0.07]	[$0.25]
[Non-Trading Permit Holder Market Maker (16)]	[N]							
[Professional /Voluntary Professional /Joint Back-Office]	[W J]	[$0.12 W Origin Code Only]						[$0.30]
[Complex Surcharge (35)]	[F J L M B N W]			[$0.12]				

[Index Options Rate Table - All Index Products Excluding Underlying Symbol List A (34) and Sector Indexes (47)]			[Transaction Fee Per Contract]						
			[Manual]		[Electronic]				
[Origin]		[Origin Code]	[Penny Classes]	[Non-Penny Classes]	[Penny Classes]	[Non-Penny Classes]	[AIM Agency/Primary (19)]	[AIM Contra (18)]	[CFLEX AIM Response (20)]
[Customer (2)]	[XSP]	[C]	[$0.04]					[$0.07]	[$0.00]
	[MXEA]		[$0.25]						[$0.00]
	[MXEF]		[$0.25 (This fee is waived through December 31, 2019)]						
	[All Index Products Excluding Underlying Symbol List A (34) and Sector Indexes (47)]		[$0.18]						[$0.18]
[Clearing Trading Permit Holder Proprietary (11)(12)(16)]		[F L]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]		[$0.43]	[$0.70]	[$0.20 - See Clearing Trading Permit Holder Fee Cap]		[$0.25]
	[Facilitation (11)]	[F L]	[$0.00]						[$0.00]
[Cboe Options Market-Maker/DPM/LMM (10)]	[All Index Products Excluding Underlying Symbol List A (34) and Sector Indexes (47)]	[M]	[See Liquidity Provider Sliding Scale and Liquidity Provider Sliding Scale Adjustment Table]						
	[XSP]		[$0.23]						
[Broker-Dealer (16)]		[B]	[$0.25]		[$0.47]	[$0.75]	[$0.20]	[$0.07]	[$0.25]
[Non-Trading Permit Holder Market Maker (16)]		[N]							
[Professional /Voluntary Professional /Joint Back-Office]		[W J]	[$0.12 W Origin Code Only]						[$0.30]
[Surcharge Fee (14) Index License]	[DJX, MXEA and MXEF]	[F J L M B N W]	[$0.10]						
	[MNX and NDX]		[$0.25]						
[CFLEX Surcharge Fee (17) - DJX, MXEA, MXEF and XSP Only]		[C F J L M B N W]	[$0.10 (capped at $250 per trade)]						
[Exotic Surcharge]		[C]	[$0.25]						
[Exotic Surcharge - XSP Only]			[$0.03]						
[Complex Surcharge (35)]		[F J L M B N W]			[$0.12]				

Rate Table - All Products Excluding Underlying Symbol List A (34)(13)			Transaction Fee Per Contract					
Capacity	Products	Capacity Code	Manual		Electronic		AIM Agency/Primary (19)	AIM Contra (18)
			Penny Classes	Non-Penny Classes	Penny Classes	Non-Penny Classes		
Customer (2)(8)(9)	Equity Options	C	{CK} $0.00				{CK} $0.00	
	ETF and ETN Options		{CK} $0.00		{CE} $0.00 if adding liquidity {CA} $0.18 if original order size is ≥100 contracts and removing liquidity {CD} $0.00 if original order size is <100 contracts and removing liquidity			
	XSP		{CC} $0.04				{YB} $0.07	
	MXEA		{CM} $0.25					
	MXEF		{CN} $0.25 (This fee is waived through December 31, 2019)					
	All Other Index Products		{CB} $0.18					{YB} $0.07
	Sector Indexes (47)		{CP} $0.30					
Clearing Trading Permit Holder Proprietary (11)(16)	Equity, ETF, and ETN Options and All Other Index Products	F L	{FA} $0.20 - See Clearing Trading Permit Holder Fee Cap		{FB} $0.43	{FC} $0.70	{FD} $0.20 - See Clearing Trading Permit Holder Fee Cap	{YB} $0.07
	Sector Indexes (47)		{FI} $0.25					
	Facilitation (11)		{FF} $0.00		{FI} $0.25			
Cboe Options Market-Maker/DPM/LMM (10)	XSP	M	{MX} $0.23					
	Equity, ETF, and ETN Options, Sector Indexes (47) and All Other Index Products		{MA} $0.23 - See Liquidity Provider Sliding Scale and Liquidity Provider Sliding Scale Adjustment Table					{YB} $0.07
Broker-Dealer (16) Non-Trading Permit Holder Market Maker (16) Professional /Joint Back-Office	Equity, ETF, and ETN Options and All Other Index Products	B N U J	{BA} $0.25 {WA} $0.12 "U" Capacity Code Only		{BB} $0.47	{BC} $0.75	{BD} $0.20	
	Sector Indexes (47)		{BE} $0.40					
Complex Surcharge (35)	Equity, ETF, and ETN Options and All Other Index Products	F J L M B N U			$0.12			
Surcharge Fee (14) Index License - DJX, MXEA and MXEF and Sector Indexes			$0.10 (This surcharge is waived, through December 31, 2019, for Sector Indexes (47))					
FLEX Surcharge Fee (17) - DJX, MXEA, MXEF and XSP Only		C F J L M B N U	$0.10 (capped at $250 per trade)					
Exotic Surcharge (42)		C	$0.25 ($0.03 for XSP Only)					

[Specified Proprietary Index Options]Rate Table - Underlying Symbol List A (34) [and Sector Indexes (47)(41)] (Also applies to GTH)(37)

Options Transaction Fees (1)(3)(4)(7)(15)[(32)](33)(39)

[Origin]Capacity		Products	[Origin] Capacity Code	Transaction Fee Per Contract by Premium Price: $0.00 - $0.10	Transaction Fee Per Contract by Premium Price: $0.11 - $0.99	Transaction Fee Per Contract by Premium Price: $1.00+	VIX Only / SPX (incl SPXw) in GTH Only: AIM Agency/Primary (19)	VIX Only / SPX (incl SPXw) in GTH Only: AIM Contra (18)
Customer (2)		OEX and XEO	C	{CO} $0.40				
		OEX Weeklys, XEO Weeklys[and Sector Indexes] (47)		{CP} $0.30				
		RUT, RLG, RLV, RUI and UKXM (40)		{CR} $0.18/ {WR} $0.00 RLG, RLV, RUI, UKXM only				
		SPX (incl SPXW)		{CS} $0.35		{CT} $0.44	See Rates to Left	
		VIX		{CV} $0.10	{CW} $0.25	{CX} $0.45	See Rates to Left	
Clearing Trading Permit Holder Proprietary (11)[(12)](16)(40)		Underlying Symbol List A (excluding VIX)(34)	F L	{FH} $0.25 - See Cboe Options Clearing Trading Permit Holder Proprietary Product Sliding Scale[and VIX Sliding Scale]/ {WR} $0.00 RLG, RLV, RUI, UKXM only				
		VIX		{FK} $0.25 - See Cboe Options Clearing Trading Permit Holder VIX Sliding Scale				
		[Sector Indexes (47)]		[$0.25 - Fees for Facilitations will be waived through December 31, 2019]			[See Rates to Left]	
Cboe Options Market-Maker/ DPM/LMM (10)(42)(43)		SPX (incl SPXW)(41)	M	{MS} See SPX Liquidity Provider Sliding Scale/ {SC} $0.00				
		RUT		{MT} $0.30				
		RLG, RLV, RUI, UKXM, OEX and XEO (40)		{MR} $0.20/ {WR} $0.00 RLG, RLV, RUI, UKXM only				
		VIX (43)(45)		{MV} $0.05	{MW} $0.23		See Rates to Left	
		[Sector Indexes (47)]		[See Liquidity Provider Sliding Scale and Liquidity Provider Sliding Scale Adjustment Table]				
Joint Back-Office (45)		OEX, XEO, SPX (incl SPXW)[,] and VIX[and Sector Indexes (47)]	B N [W]U J	{BR} $0.40				
Broker-Dealer (16) (45)								
Non-Trading Permit Holder Market Maker (16) (45)		RUT, RLG, RLV, RUI and UKXM (40)		{BS} $0.25 Manual and AIM/ {BK} $0.65 non-AIM Electronic/ {WR} $0.00 RLG, RLV, RUI, UKXM only				
Professional[/Voluntary Professional] (45)								
[Broker-Dealer (16)]		[RUT, RLG, RLV, RUI and UKXM (40)]		[$0.25 Manual and AIM/ $0.65 non-AIM Electronic]				
[Non-Trading Permit Holder Market Maker (16)]								
[Professional/Voluntary Professional/Joint Back-Office]								
Surcharge Fee (14) (Also applies to GTH)(37)	Index License (41)	RUT	F J L M B N [W] U	$0.45				
		SPX (incl SPXW) (41)		$0.16/ {SC} $0.00				
		OEX, RLG, RLV, RUI, UKXM, XEO, VIX and Sector Indexes (47)(40)		$0.10 (This surcharge is waived, through December 31, 2019,[for Sector Indexes (47) and] for origin codes F and L for VIX transactions where the VIX Premium is ≤ $0.10 and the related series has an expiration of seven (7) calendar days or less.)				
[C]FLEX Surcharge Fee (17)(40)			C F J L M B N [W]U	$0.10 (capped at $250 per trade)				
Exotic Surcharge			C	$0.25				
Execution Surcharge (21) (Also applies to GTH)(37)		SPX Only (15)	C F J L B N [W]U	$0.21				
		SPXW (electronic only)[(Also applies to GTH)(37)]		$0.10				
Customer Priority Surcharge (31) (Also applies to GTH)(37)		VIX (Maker non-turner)	C	$0.00	$0.20			

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SPX Liquidity Provider Sliding Scale (41)(33)					
[Origin]Capacity	Tier	Volume Thresholds	[Origin]Capacity Code	Transaction Fee Per Contract	Notes
Cboe Options Market-Maker/LMM	1	0.00% - 1.00%	M	$0.28	Volume thresholds are based on total Market-Maker volume in SPX and SPXW.
	2	Above 1.00% - 4.00%		$0.26	
	3	Above 4.00% - 9.00%		$0.24	
	4	Above 9.00% - 15.00%		$0.22	
	5	Above 15.00%		$0.20	

Liquidity Provider Sliding Scale (6)(10)[(32)](33)					
[Origin]Capacity	Tier	Volume Thresholds	[Origin]Capacity Code	Transaction Fee Per Contract	Notes
Cboe Options Market-Maker/DPM/LMM	1	0.00% - 0.05%	M	$0.23	Volume thresholds are based on total national Market-Maker volume in all underlying symbols excluding Underlying Symbol List A (34) and XSP during the calendar month. Applies in all underlying symbols excluding Underlying Symbol List A (34) and XSP.
	2	Above 0.05% - 0.80%		$0.17	
	3	Above 0.80% - 1.50%		$0.10	
	4	Above 1.50% - 2.25%		$0.05	
	5	Above 2.25%		$0.03	

Liquidity Provider Sliding Scale Adjustment Table (6)(44)(33)							
[Origin]Capacity	Performance Tier	Make Rate (% Based on Prior Month)	[Origin]Capacity Code	Maker Rebate		Taker Fee	
				Penny Classes	Non-Penny Classes	Penny Classes	Non-Penny Classes
Cboe Options Market-Maker/DPM/LMM	1	0% - 50%	M	$0.00	$0.00	$0.05	$0.10
	2	Above 50% - 60%		$0.00	$0.00	$0.04	$0.07
	3	Above 60% - 75%		($0.01)	$0.00	$0.03	$0.05
	4	Above 75% - 90%		($0.02)	$0.00	$0.00	$0.04
	5	Above 90%		($0.03)	$0.00	$0.00	$0.00

Volume Incentive Program (VIP)(6)(23)(36)(33)							
[Origin]Capacity	Tier	Percentage Thresholds of National Customer Volume in All Underlying Symbols Excluding Underlying Symbol List A (34), Sector Indexes (47), DJX, MXEA, MXEF[, MNX, NDX] and XSP (Monthly)	[Origin]Capacity Code	Per Contract Credit			
				Simple		Complex	
				Non-AIM	AIM	Non-AIM	AIM
Customer/Broker-Dealer/Professional[/ Voluntary Professional]/Joint Back-Office	1	0% - 0.75%	C B J [W]U	$0.00	$0.00	$0.00	$0.00
	2	Above 0.75% - 2.00%		$0.10	$0.09	$0.21	$0.19
	3	Above 2.00% - 3.00%		$0.12	$0.10	$0.24	$0.22
	4	Above 3.00% - 4.00%		$0.15	$0.13	$0.25	$0.23
	5	Above 4.00%		$0.15	$0.14	$0.25	$0.24

Notes

Volume for [origins]capacity B, J and [W]U will count towards tier qualification only. Credits on orders executed electronically in AIM will be capped at 1,000 contracts per order for simple executions and 1,000 contracts per leg for complex executions. Credits on orders executed electronically in [HAL]SUM will be capped at 1,000 contracts per auction quantity. All contracts executed in AIM and all contracts executed in [HAL]SUM will continue to be counted towards the percentage thresholds even if they exceed the 1,000 contract cap for VIP credits. Additionally, multiple simple orders from the same affiliated TPH(s) in the same series on the same side of the market that are executed in AIM or [HAL]SUM within a 3 second period will be aggregated for purposes of determining the order quantity subject to the cap. For this aggregation, activity in AIM and [HAL]SUM will be aggregated separately. The AIM aggregation timer will begin with an order entered into AIM and continue for 3 seconds, aggregating any other orders entered into AIM in the same series on the same side of the market by the same affiliated TPH. The [HAL]SUM aggregation timer will begin at the start of a [HAL]SUM auction and continue for 3 seconds, aggregating any other orders executed in [HAL]SUM in the same series on the same side of the market for the same affiliated TPH. Any portion of the original order quantity that is executed outside of [HAL]SUM will not be part of the aggregation or counted towards the 1,000 contract threshold. A TPH will only receive the Complex credit rates for Complex volume if at least 38% of that TPH's qualifying VIP volume in the previous month was comprised of Simple volume. If not, then the TPH's Customer (C) Complex volume will receive credits at the applicable Simple credit rate only.

Affiliate Volume Plan (AVP(6)(23)(24)(33)					
[Origin]Capacity	[Origin]Capacity Code	VIP Tier Reached	MM Affiliate Access Credit	Liquidity Provider Sliding Scale Credit	Notes
Cboe Options Market-Maker/DPM/LMM (10)	M	1	0%	0%	If a Market-Maker affiliate ("affiliate" defined as having at least 75% common ownership between the two entities as reflected on each entity's Form BD, Schedule A)("Affiliate OFP") or Appointed OFP receives a credit under the Exchange's Volume Incentive Program ("VIP"), the Market-Maker will receive an access credit on their BOE Bulk Ports corresponding to the VIP tier reached. The Market-Maker will also receive a transaction fee credit on their sliding scale Market-Maker transaction fees, not including any additional surcharges or fees assessed as part of the Liquidity Provider Sliding Scale Adjustment Table.
		2	0%	10%	
		3	0%	15%	
		4	15%	30%	
		5	25%	35%	

Marketing Fee [(6)]			
[Origin]Capacity	Product Line	[Origin]Capacity Code	Collection Per Contract
Cboe Options Market-Maker/DPM/LMM	Penny Pilot Classes	M	$0.25
	All Other Classes		$0.70

Notes

The marketing fee will be assessed on transactions of Market-Makers (including DPMs and LMMs), resulting from customer orders at the per contract rate provided above on all classes of equity options, options on ETFs, options on ETNs and index options; except that the marketing fee shall not apply to Sector Indexes (47), DJX, MXEA, MXEF, XSP or Underlying Symbol List A (34). The fee will not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-Trading Permit Holder market-makers; transactions resulting from penny cabinet trades and sub-penny cabinet trades; transactions in Flexible Exchange Options; transactions executed as a qualified contingent cross ("QCC") under Rule 6.53(u); and transactions in the Penny Pilot classes resulting from orders executed through the Step Up Mechanism under Rule 5.35. A DPM under Cboe Options Rule 8.80, a "Preferred Market-Maker" under Cboe Options Rule 8.13 or a "Lead Market-Maker" under Cboe Options Rule 8.15 (collectively "Preferenced Market-Maker") will be given access to the marketing fee funds generated from a Preferenced order. The total balance of the undispersed marketing fees for the Preferenced Market-Maker/DPM pool cannot exceed $250,000. Each month, undisbursed marketing fees in excess of $250,000 will be reimbursed to the Market-Makers that contributed to the pool based upon a one month look back and their pro-rata portion of the entire amount of marketing fee collected during that month.

Cboe Options Clearing Trading Permit Holder Proprietary Products Sliding Scale (11)[(32)](33)(Also applies to GTH)(37)

[Origin]Capacity	Tier	Proprietary Product Volume Thresholds	[Origin]Capacity Code	Transaction Fee Per Contract	Notes
Clearing Trading Permit Holder Proprietary	≥ 25,000 ADV ≤ 69,999 ADV in all underlying symbols excluding Underlying Symbol List A (34)		F L		Clearing Trading Permit Holder Proprietary transaction fees and transaction fees for Non-Trading Permit Holder Affiliates (as defined in footnote 11) in Underlying Symbol List A (34) excluding VIX will be eligible for reduced rates using the Proprietary Products Sliding Scale. For each Clearing Trading Permit Holder, Cboe Options will assess the transaction fees calculated for all activity in Underlying Symbol List A (34) excluding VIX during a calendar month, provided a Clearing Trading Permit Holder reaches certain ADV thresholds in all underlying symbols, excluding 1) Underlying Symbol List A (34) or 2) any contracts for which a strategy cap has been applied (as defined in Footnote 13). Percentages are calculated by accounting for all volume in the respective products executed with an "F" or "L" [Origin]Capacity Code, with volume in GTH aggregated with RTH volume for the same calendar month included for purposes of calculating the proprietary product volume thresholds and the reduced transaction fees per contract.
	B3	0.00% - 6.50%		$0.22	
	B2	6.51% - 8.50%		$0.18	
	B1	Above 8.50%		$0.05	
	≥ 70,000 ADV in all underlying symbols excluding Underlying Symbol List A (34)				
	A2	0.00% - 6.50%		$0.18	
	A1	Above 6.50%		$0.04	

Cboe Options Clearing Trading Permit Holder VIX Sliding Scale (11)[(32)](33)(Also applies to GTH)(37)

[Origin]Capacity	Tier	VIX Volume Thresholds	[Origin]Capacity Code	Transaction Fee Per Contract	Notes
Clearing Trading Permit Holder Proprietary	1	0.00% - 1.00%	F L	$0.25	Clearing Trading Permit Holder Proprietary transaction fees and transaction fees for Non-Trading Permit Holder Affiliates (as defined in footnote 11) in VIX will be eligible for reduced rates using the VIX Sliding Scale. Percentages are calculated by accounting for all volume in VIX executed with an "F" or "L" [Origin]Capacity Code, with volume in GTH aggregated with RTH volume for the same calendar month included for purposes of calculating the VIX volume thresholds and the reduced transaction fees per contract.
	2	1.01% - 5.50%		$0.15	
	3	5.51% - 8.00%		$0.05	
	4	Above 8.00%		$0.01	

Clearing Trading Permit Holder Fee Cap (11)(22)

[Origin]Capacity	Execution Type	[Origin]Capacity Code	(F) Fee Per Contract	Does Volume Count Toward $75,000 Fee Cap?	Count Toward Proprietary Product Sliding Scale?	(C) Volume of Paired Order Count for VIP?	Notes
Clearing Trading Permit Holder Proprietary	Electronic Penny (non-AIM)	F L	$0.43	No	Yes	N/A	**Clearing Trading Permit Holder Fee Cap Includes transaction fees assessed as part of a strategy cap (see Footnote 13). However, a Clearing Trading Permit Holder that has reached the Clearing Trading Permit Holder Fee Cap in a given month would no longer be eligible for Strategy Rebates as defined in Footnote 13.**
	Electronic Non-Penny (non-AIM)		$0.70	No	Yes	N/A	
	Open Outcry		$0.20	Yes	Yes	No	
	QCC		$0.17	Yes	Yes	No	
	FLEX		$0.25	Yes	Yes	Yes	
	AIM Primary Order		$0.20	Yes	Yes	Yes	
	AIM Facilitation Contra Order		$0.07	Yes	Yes	Yes	
	AIM Solicitation Contra Order		$0.07	Yes	Yes	Yes	
	Open Outcry Facilitation		$0.00	No	Yes	No	
	Open Outcry Solicitation		$0.20	Yes	Yes	No	

Select Customer Options Reduction ("SCORe") Program (6)(48)(33)

[Origin]Capacity	Tier	Percentage of All Customer Retail Volume in Qualifying Classes	[Origin]Capacity Code	Discount Per Retail Contract	Notes
	Retail Volume Percentage in Qualifying Classes between 20.00% and 69.99%				
	Qualifying Tier B				
Customer	B3	0.00% - 5.00%	C	$0.00	The SCORe Program is for Retail, Non-FLEX Customer ("C" [origin]capacity code) volume in the following options classes: SPX (including SPXW), VIX, RUT, MXEA, MXEF & XSP ("Qualifying Classes"). The SCORe program is available to any Trading Permit Holder ("TPH") Originating Clearing Firm or non-TPH Originating Clearing Firm. For this program, an "Originating Clearing Firm", will be defined as either (a) the executing clearing OCC number on any transaction which does not also include a Clearing Member Trading Agreement ("CMTA") OCC clearing number or (b) the CMTA in the case of any transaction which does include a CMTA OCC clearing number. In order to participate, an Originating Firm must complete the SCORe Registration Form by the second to last business day of the month preceding the month in which their participation in the SCORe program will commence. The Exchange will aggregate an Originating Firm's volume with volume of their OCC clearing affiliates if such affiliates are reported to the Exchange via the SCORe Registration Form and there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. "Originating Firm" will refer to both an Originating Clearing Firm and any applicable affiliates.
	B2	Above 5.00% - 26.00%		$0.04	
	B1	Above 26.00%		$0.08	
	Retail Volume Percentage in Qualifying Classes at or above 70.00%				
	Qualifying Tier A				
	A5	0.00% - 5.00%		$0.00	
	A4	Above 5.00% - 37.00%		$0.08	
	A3	Above 37.00% - 41.00%		$0.17	
	A2	Above 41.00% - 47.00%		$0.21	
	A1	Above 47.00%		$0.25	

QCC Rate Table (13)

[Origin]Capacity	[Origin]Capacity Code	Transaction Fee Per Contract	Per Contract Credit	Notes
Customer	C	{QC} $0.00	$0.10	Credits will be delivered to the TPH Firm that enters the order into Cboe Command but will only be paid on the initiating side of the QCC transaction. Credits will be capped at $350,000 per month, per TPH. Credits of affiliated TPHs (TPHs with at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A) will be aggregated for purposes of determining whether a TPH has met the QCC credit cap. Credits will not be paid on Customer (C) to Customer (C) executions.
Clearing Trading Permit Holder Proprietary (11)(12)(16)	F L	{QN} $0.17		
Cboe Options Market-Maker/DPM/LMM	M			
Broker-Dealer (16)	B			
Non-Trading Permit Holder Market Maker (16)	N			A QCC transaction is comprised of an 'initiating order' to buy (sell) at least 1,000 contracts, coupled with a contra-side order or orders totaling an equal number of contracts. For complex QCC transactions, the 1,000 contracts minimum is applied per leg.
Professional /[Voluntary Professional /]Joint Back-Office	[W]U J			

Customer Large Trade Discount (27)[(32)](Also applies to GTH)(37)

Regular customer transaction fees will only be charged up to the listed quantity of contracts per order.

[Origin]Capacity	Products	[Origin]Capacity Code	Transaction Fees	Notes
Customer	VIX	C	Charge only first 15,000	[For an order to be eligible to qualify for the discount, the order in its entirety must be executed in either GTH or RTH, but not both.]
	SPX (includes SPXW) and XSP		Charge only first 20,000	
	Other Index Options		Charge only first 5,000	
	ETF and ETN Options		Charge only first 3,000	

Large Trade Discount (Also applies to GTH)(37)(45)

Regular transaction fees will only be charged up to the listed quantity of contracts per order.

[Origin]Capacity	Products	[Origin]Capacity Code	Transaction Fees	Notes
Cboe Options Market-Maker/ DPM/ LMM Broker-Dealer (16) Non-Trading Permit Holder Market Maker Professional[/Voluntary Professional] /Joint Back-Office	VIX	M B N [W]U J	Charge only 175,000	[For an order to be eligible to qualify for the discount, the order in its entirety must be executed in either GTH or RTH, but not both.]

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Trading Permit Holder Application Fees

Description		Fee	Notes
Individual (Trading Permit Holder/Nominee)		$3,000	Application fees related to a TPH organization's structural change are capped at $10,000 (e.g. change from a limited partnership to a limited liability corporation). The Trading Permit Transfer Fee is capped at $2,000 for a Trading Permit transfer request covering multiple Trading Permits.[Inactive Nominee Status Change (Trading Permit Swap) fees are waived from October 1, 2019 - October 4, 2019.]
Non-Trading Permit Holder Customer Business		$3,000	
Order Service Firm		$1,650	
Associated Person		$500	
TPH Organization Application		$5,000	
Renewal/Change of Status		$500	
Subject to Statutory Disqualification		$5,000	
Rule 19h- 1 Change in Status		$1,650	
Inactive Nominee Status (Parking Space)		$300	
Inactive Nominee Status Change (Trading Permit Swap)	[Submission before 4pm on the day prior to effective date]	[$55]	
	[Submission after 4pm on the day prior to the effective date]	$1[1]00	
	[Submission after 8am on the effective date]	[$220]	
Fingerprint Processing Fee		$60	
Trading Permit Transfer Fee		$500	
TPH Organization Renewal Fee		$2,500	

* * * * *

Routing Fees			
Capacity	Transaction Fee Per Contract	Description	Notes
Customer	{RD} $0.33	Routed to AMEX, BOX, BX, EDGX, MERC, MIAX, PHLX, ≥ 100 contracts, ETF	Multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received within 500 milliseconds will be aggregated for purposes of determining the order quantity.
	{RE} $0.15	Routed to AMEX, BOX, BX, EDGX, MERC, MIAX, PHLX, < 100 contracts ETF, Equity	
	{RF} $0.83	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, ≥ 100 contracts ETF, Penny	
	{RG} $1.18	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, ≥ 100 contracts ETF, Non-Penny	
	{RH} $0.65	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Penny	
	{RI} $1.00	Routed to ARCA, BZX, C2, ISE, GMNI, EMLD, PERL, NOMX, <100 contracts ETF, Equity, Non-Penny	
Non-Customer	{RJ} $1.17	Routed, Penny	
	{RK} $1.45	Routed, Non-Penny	

[Linkage Fees]	
[Origin]	[Notes]
[Customer]	[In addition to the customary Cboe Options execution charges, for each customer order that is routed, in whole or in part, to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan referenced in Rule 6.80, Cboe Options shall pass through the actual transaction fee assessed by the exchange(s) to which the order was routed plus an additional $0.15 per contract. Multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received within 500 milliseconds will be aggregated for purposes of determining the order quantity.]
[Non-Customer]	[For each non-customer order, including voluntary professionals and professionals, routed to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan referenced in Rule 6.80, Cboe Options shall assess a $0.70 per contract routing fee in addition to the customary Cboe Options execution charges.]
[Exception]	[Cboe Options will not pass through or otherwise charge customer orders (of any size) routed to other exchanges that were originally transmitted to the Exchange from the trading floor through an Exchange-sponsored terminal (e.g. a Floor Broker Workstation or PULSe Workstation).]

Stock Portion of Stock-Option Strategy Orders			
Description	Fee	Frequency	Notes
Stock Portion of Stock-Option Strategy Orders	{EQ} $0.0010	per share	The Exchange shall assess a fee of $0.0010 per share for the stock portion, which Cboe Options must route to an outside venue, of stock-option orders executed via the Complex Order Auction ("COA"), the Complex Order Book ("COB"), AIM, SAM, and the splitting mechanism which is used for certain market orders pursuant to Interpretation .06(d) of Rule 6.53C. This fee applies in addition to the fees assessed by the outside venue to which the stock portion of the order is routed if an exchange destination is specified on the original order (with such fees to be passed on to the market participant). A maximum of $50.00 per [order]execution will be assessed under this fee.

Trading Permit Holder Transaction Fee Policies and Rebate Programs (Also applies to GTH)(37)	
Description	Notes
* * * * *	
Trading Permit Holder Transaction Fees - Equity and Index Options	Transaction fees are charged to the executing firm designated in Cboe Options trade match records. With regard to CMTA firm proprietary activity, the Exchange and the OCC permit the "F" origin code to designate firm proprietary activity. However, index customer transaction fees are assessed for index orders [(excluding MNX)] if the CMTA firm is not an Exchange Trading Permit Holder. In equities[,]and QQQ[and MNX] options, the broker-dealer rate will be assessed.

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Order Router Subsidy Program (6)(29)			
Description	[Origin]Capacity Code	Subsidy Per Contract	Notes
ORS Program	C	$0.00	Cboe Options may enter into subsidy arrangements with Trading Permit Holders ("TPHs") or broker-dealers that are not Cboe Options Trading Permit Holders ("Non-Cboe Options TPHs") that provide certain routing functionalities to other Cboe Options TPHs, Non-Cboe Options TPHs and/or use such functionalities themselves. Participating TPHs or participating Non-Cboe Options TPHs will receive a payment from Cboe Options for every executed contract (excluding those executed in AIM or as a QCC) for orders routed to Cboe Options through that participating Cboe Options TPH or Non-Cboe Options TPH's system to subsidize their costs associated with providing order routing functionalities.
	F J L M B N [W]U	$0.07	
		$0.07	ORS/CORS participants whose total aggregate non-customer ORS and CORS volume is greater than 0.25% of the total national volume (excluding volume in options classes included in Underlying Symbol List A, Sector Indexes (47), DJX, MXEA, MXEF or XSP) will receive an additional payment for all executed contracts exceeding that threshold during a calendar month.

Complex Order Router Subsidy Program (6)(30)			
Description	[Origin]Capacity Code	Subsidy Per Contract	Notes
CORS Program	C	$0.00	Cboe Options may enter into subsidy arrangements with Trading Permit Holders ("TPHs") or broker-dealers that are not Cboe Options Trading Permit Holders ("Non-Cboe Options TPHs") that provide certain complex order routing functionalities to other Cboe Options TPHs, Non-Cboe Options TPHs and/or use such functionalities themselves. Participating TPHs or participating Non-Cboe Options TPHs will receive a payment from Cboe Options for every executed contract (excluding those executed in AIM or as a QCC) for complex orders routed to Cboe Options through that participating Cboe Options TPH or Non-Cboe Options TPH's system to subsidize their costs associated with providing order routing functionalities.
	F J L M B N [W]U	$0.07	
		$0.07	ORS/CORS participants whose total aggregate non-customer ORS and CORS volume is greater than 0.25% of the total national volume (excluding volume in options classes included in Underlying Symbol List A, Sector Indexes (47), DJX, MXEA, MXEF or XSP) will receive an additional payment for all executed contracts exceeding that threshold during a calendar month.

Frequent Trader Program			VIX		SPX / SPXW		RUT	
[Origin]Capacity	**[Origin]Capacity Code**	**Tier**	**Monthly VIX Contracts Traded**	**VIX Fee Rebate**	**Monthly SPX/ SPXW Contracts Traded**	**SPX/ SPXW Fee Rebate**	**Monthly RUT Contracts Traded**	**RUT Fee Rebate**
Customer/ Professional Customer[/ Voluntary Professional]	**C [W]U**	**1**	10,000 - 99,999	5%	10,000 - 49,999	3%	10,000 - 24,999	10%
		2	100,000 - 299,999	15%	50,000 - 99,999	6%	25,000 - 49,999	15%
		3	300,000 and above	25%	100,000 and above	9%	50,000 and above	25%

Notes

Customers ("C" [origin]capacity code) and Professional Customers[and Voluntary Professionals] ("[W]U" [origin]capacity code) (collectively "customers") can obtain a unique identification number ("Frequent Trader ID" or "FTID") which can be appended by executing agents to orders submitted to Cboe Options during both RTH and GTH for both manual and electronic execution. A "customer" for this purpose is a non-Trading Permit Holder, non-broker-dealer. A customer may obtain an FTID by registering for the program at the Frequent Trader Program website. Each customer is responsible for requesting that its executing agent(s) appends the customer's unique FTID to the customer's order(s). Executing agents however, will not be required by the Exchange to append FTIDs to orders, but may choose to do so voluntarily. The volume associated with each FTID will be aggregated to qualify for the tiers and fee rebates of customer transaction fees shown in the table. The highest achieved threshold rebate rate will apply from the first executed contract. The rebates will be based on the actual amount of fees assessed in accordance with the Fees Schedule (e.g., if a customer submits a VIX order for 30,000 contracts, that customer would be assessed fees for only the first 15,000 contracts under the Customer Large Trade Discount Program. Therefore, the customer's rebate would be based on the amount of the fees assessed for 15,000 contracts, not on the value of the total 30,000 contracts executed). The Exchange will disperse a customer's rebates pursuant to the customer's instructions, which may include receiving the rebates as a direct payment or via a distribution to one or more of its Clearing Trading Permit Holders. For trades for which volume should have been allocated to one or more FTIDs than were entered on the trade at the time of execution, an executing TPH may add or modify FTID information on post-trade records using the Clearing Editor for changes on the trade date or electronically submit such FTID information to the Exchange in a form and manner prescribed by the Exchange no later than 4:29 pm CT, or by such time that the Exchange submits its final trade submission to the Options Clearing Corporation ("OCC") if later than 4:29 pm CT, on the trade date. FTIDs may not be added to orders that were executed prior to the customer registering for the Frequent Trader Program.

MSCI LMM Incentive Program			Expiring		Near Term		Mid Term		Long Term	
			7 days or less		8 days to 60 days		61 days to 270 days		271 days or Greater	
[Origin]Capacity	**[Origin]Capacity Code**	**Premium Level**	**Width**	**Size**	**Width**	**Size**	**Width**	**Size**	**Width**	**Size**
LMM	M	$0.00 - $5.00	$3.00	5	$1.50	20	$2.50	15	$5.00	10
		$5.01 - $15.00	$6.00	3	$3.00	15	$5.00	10	$10.00	7
		$15.01 - $50.00	$15.00	2	$7.50	10	$10.00	7	$20.00	5
		$50.01 - $100.00	$25.00	1	$15.00	7	$20.00	5	$30.00	3
		$100.01 - $200.00	$40.00	1	$25.00	3	$35.00	3	$48.00	2
		Greater than $200.01	$60.00	1	$40.00	1	$50.00	1	$72.00	1

For MXEA and MXEF, if the appointed LMM provides continuous electronic quotes during Regular Trading Hours that meet or exceed the above heightened quoting standards in at least 90% of the MXEA and MXEF series 80% of the time in a given month, the LMM will receive a payment for that month in the amount of $40,000 per class for the month of February 2019, and $20,000 per class, per month thereafter. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. This program will be in place through December 31, 2019.

VIX LMM Incentive Program

[Origin]Capacity	[Origin]Capacity Code	Premium Level	Expiring 7 days or less		Near Term 8 days to 60 days		Mid Term 61 days to 270 days		Long Term 271 days or Greater	
			Width	Size	Width	Size	Width	Size	Width	Size
LMM	M	$0.00 - $3.00	$0.50	25	$0.40	50	$0.50	25	$1.00	10
		$3.01 - $5.00	$0.75	15	$0.60	30	$0.75	15	$1.50	7
		$5.01 - $10.00	$1.00	10	$0.80	20	$1.00	10	$2.00	5
		$10.01 - $30.00	$3.00	5	$1.00	10	$3.00	5	$5.00	3
		$30.01 - $100.00	$5.00	3	$3.00	5	$5.00	3	$7.00	2
		Greater than $100.00	$10.00	1	$5.00	1	$10.00	1	$12.00	1

For VIX if the appointed LMM provides continuous electronic quotes during Global Trading Hours that meet or exceed the above heightened quoting standards in at least 99% of the VIX series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of a pro-rata share of a compensation pool for VIX equal to $20,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month. For example, if two LMMs are appointed in VIX, a compensation pool will be established each month for VIX totaling $40,000. If for example, each LMM meets the heightened continuous quoting standard in VIX during a month, each will receive $20,000. If only one LMM meets the heightened continuous quoting standard in VIX during a month, that LMM would receive $40,000 and the other one would receive nothing. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. For October 2019, the heightened quoting standard will only apply for the period of October 7 - October 31.

SPX/SPXW LMM Incentive Program

[Origin]Capacity	[Origin]Capacity Code	Premium Level	Expiring 7 days or less		Near Term 8 days to 60 days		Mid Term 61 days to 270 days		Long Term 271 days or Greater	
			Width	Size	Width	Size	Width	Size	Width	Size
LMM	M	$0.00 - $5.00	$0.50	10	$0.40	25	$0.60	15	$1.00	10
		$5.01 - $15.00	$2.00	7	$1.60	18	$2.40	11	$4.00	7
		$15.01 - $50.00	$5.00	5	$4.00	13	$6.00	8	$10.00	5
		$50.01 - $100.00	$10.00	3	$8.00	8	$12.00	5	$20.00	3
		$100.01 - $200.00	$20.00	2	$16.00	5	$24.00	3	$40.00	2
		Greater than $200.00	$30.00	1	$24.00	3	$36.00	1	$60.00	1

For SPX and SPXW if the appointed LMM provides continuous electronic quotes during Global Trading Hours that meet or exceed the above heightened quoting standards in at least 99% of each of the SPX and SPXW series 90% of the time in a given month, the LMM will receive a rebate for that month in the amount of a pro-rata share of a compensation pool for SPX and a compensation pool for SPXW equal to $15,000 times the number of LMMs in that class (or pro-rated amount if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month) for that month. For example, if two LMMs are appointed in SPX a compensation pool will be established each month for (i) SPX totaling $30,000 and (ii) SPXW totaling $30,000. If for example, each LMM meets the heightened continuous quoting standard in SPX and SPXW during a month, each will receive $30,000. If only one LMM meets the heightened continuous quoting standard in SPX and SPXW during a month, that LMM would receive $60,000 and the other one would receive nothing. The Exchange may consider other exceptions to this quoting standard based on demonstrated legal or regulatory requirements or other mitigating circumstances. For October 2019, the heightened quoting standard will only apply for the period of October 7 - October 31.

Footnotes:

Footnote Number	Description
	* * * * *
6	[The marketing fee will be assessed on transactions of Market-Makers (including DPMs and LMMs), resulting from customer orders at the per contract rate provided above on all classes of equity options, options on ETFs, options on ETNs and index options; except that the marketing fee shall not apply to Sector Indexes (47), DJX, MXEA, MXEF, MNX, NDX, XSP or Underlying Symbol List A (34). The fee will not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-Trading Permit Holder market-makers; transactions resulting from accommodation liquidations (cabinet trades); transactions in Flexible Exchange Options; transactions executed as a qualified contingent cross (“QCC”) under Rule 6.53(u); and transactions in the Penny Pilot classes resulting from orders executed through the Hybrid Agency Liaison under Rule 6.14. A DPM under Cboe Options Rule 8.80, a “Preferred Market-Maker” under Cboe Options Rule 8.13 or a "Lead Market-Maker" under Cboe Options Rule 8.15 (collectively "Preferenced Market-Maker") will be given access to the marketing fee funds generated from a Preferenced order. The total balance of the undispersed marketing fees for the Preferenced Market-Maker/DPM pool cannot exceed $250,000. Each month, undisbursed marketing fees in excess of $250,000 will be reimbursed to the Market-Makers that contributed to the pool based upon a one month look back and their pro-rata portion of the entire amount of marketing fee collected during that month.]In the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options that lasts longer than 60 minutes, the Exchange will adjust the national volume in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), MXEA, MXEF, DJX and XSP for the entire trading day.
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8	The Exchange will waive the transaction fee for public customer (“C” [origin]capacity code) orders in all ETF and ETN options that are executed in open outcry or in the Automated Improvement Mechanism or as a QCC or as a FLEX Options transaction.
9	Notwithstanding Footnote 8 above, transaction fees are waived for customer orders providing liquidity and orders removing liquidity that are of 99 contracts or less in ETF and ETN options. Transaction fees will be assessed on customer orders that remove liquidity and that are of 100 contracts or more. Multiple orders from the same executing firm for itself or for a CMTA or correspondent firm in the same series on the same side of the market that are received by the Exchange within 500 milliseconds will be aggregated for purposes of determining the order quantity. The Exchange will charge any leg of a complex order in ETF and ETN options that is removing liquidity and equals or exceeds 100 contracts, even if the leg is only partially executed below the 100 contract threshold. The Taker fee applies to electronic volume only, but is not applied to the following: (i) trades on the open and (ii) QCC orders. The Taker fees would apply to the following volume: (i) volume resulting from a customer's orders and/or quotes removing other market participants’ resting orders and/or quotes and (ii) volume resulting from a customer’s primary orders in (i) unpaired auctions (i.e., Step Up Mechanism ("SUM")[Hybrid Agency Liaison (“HAL”) and HAL on the Open (“HALO”)] and (ii) Complex Order Auction (COA)). The Maker fee waiver would apply to the following volume: (i) volume resulting from executions against a customer’s resting orders and/or quotes and (ii) volume resulting from a customer’s responses to auctions (i.e., [HAL, HALO]SUM and COA responses).

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11	The Clearing Trading Permit Holder Fee Cap in all products except Underlying Symbol List A (34) (the "Fee Cap") and Sector Indexes (47), the Cboe Options Proprietary Products Sliding Scale for Clearing Trading Permit Holder Proprietary Orders (the "Proprietary Products Sliding Scale") and the Clearing Trading Permit Holder Proprietary VIX Sliding Scale (the "VIX Sliding Scale") apply to (i) Clearing Trading Permit Holder proprietary orders ("F" [origin]capacity code), and (ii) orders of Non-Trading Permit Holder Affiliates of a Clearing Trading Permit Holder. A "Non-Trading Permit Holder Affiliate" for this purpose is a 100% wholly-owned affiliate or subsidiary of a Clearing Trading Permit Holder that is registered as a United States or foreign broker-dealer and that is not a Cboe Options Trading Permit Holder. Only proprietary orders of the Non-Trading Permit Holder Affiliate that clear through a Cboe Options-registered OCC clearing number(s) will be included in calculating the Fee Cap, Proprietary Products Sliding Scale and VIX Sliding Scale. Such orders must be marked with a code approved by the Exchange identifying the orders as eligible for the Fee Cap, Proprietary Products Sliding Scale and VIX Sliding Scale (i.e., "L" [origin]capacity code). The Exchange will aggregate the fees and trading activity of separate Clearing Trading Permit Holders for the purposes of the Fee Cap, Proprietary Products Sliding Scale and VIX Sliding Scale if there is at least 75% common ownership between the Clearing Trading Permit Holders as reflected on each Clearing Trading Permit Holder's Form BD, Schedule A. A Clearing Trading Permit Holder's fees and contracts executed pursuant to a CMTA agreement (i.e., executed by another clearing firm and then transferred to the Clearing Trading Permit Holder's account at the OCC) are aggregated with the Clearing Trading Permit Holder's non-CMTA fees and contracts for purposes of the Fee Cap, Proprietary Products Sliding Scale and VIX Sliding Scale. The actual transaction fees resulting from any of the strategies defined in Footnote 13, after relevant caps are applied, will apply towards reaching the Fee Cap. However, contract volume from any such strategies for which the strategy cap is applied will not apply towards reaching the multi-list qualifying tiers for the Proprietary Products Sliding Scale. For facilitation orders (other than Sector Indexes (47) and Underlying Symbol List A (34)) executed in open outcry [or as a CFLEX transaction], Cboe Options will assess no Clearing Trading Permit Holder Proprietary transaction fees. For facilitation orders for Sector Indexes (47) executed in open outcry, [or electronically via AIM or as a QCC or CFLEX transaction,] Cboe Options will assess no Clearing Trading Permit Holder Proprietary transaction fees through December 31, 2019. "Facilitation orders" for this purpose to be defined as any order in which a Clearing Trading Permit Holder (F) [origin]capacity code or Non-Trading Permit Holder Affiliate ("L " [origin]capacity code) is contra to any other origin code, provided the same executing broker and clearing firm are on both sides of the transaction [(]for open outcry[) or both sides of a paired order (for orders executed electronically)].
[12]RESERVED	[The Clearing Trading Permit Holder Proprietary Transaction Fee shall be waived for Clearing Trading Permit Holders executing facilitation orders in FLEX Options in all underlying symbols excluding Underlying Symbol List A (34) and Sector Indexes (47).]

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14	The Surcharge Fees apply to all non-public customer transactions (i.e. Cboe Options and non-Trading Permit Holder market-maker, Clearing Trading Permit Holder, JBO participant, and broker-dealer), including [voluntary professionals, and] professionals.

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16	Broker-Dealer transaction fees apply to broker-dealer orders (orders with "B" [origin]capacity code), non-Trading Permit Holder market-maker orders (orders with "N" [origin]capacity code)[, orders from specialists in the underlying security (orders with "Y" origin code)] and certain orders with "F" or "L" [origin]capacity codes (i.e., orders from OCC numbers that are not from Cboe Options Trading Permit Holders or are not registered with the Exchange).
17	The [C]FLEX Surcharge Fee applies to all orders (all [origin]capacity codes) executed electronically[on the FLEX Hybrid Trading System (CFLEX)]. The [C]FLEX Surcharge Fee will only be charged up to the first 2,500 contracts per trade.
18	The AIM Contra Execution Fee applies to all orders (excluding facilitation orders, per footnote 11) in all products, except Sector Indexes (47) and Underlying Symbol List A (34), executed in the Automated Improvement Mechanism ("AIM"), Solicitation Auction Mechanism ("SAM"), FLEX AIM and FLEX SAM auctions, that were initially entered as the contra party to an Agency/Primary Order. [This fee will apply to such executions instead of the applicable standard transaction fee except if the applicable standard transaction fee is lower than $.05 per contract, in which case the applicable standard transaction fee will apply.] Applicable standard transaction fees will apply to AIM, SAM, FLEX AIM and FLEX SAM executions in Sector Indexes (47) and Underlying Symbol List A (34).
19	The AIM Agency/Primary Fee applies to all broker-dealer, non-Trading Permit Holder market-maker, JBO participant[, voluntary professional,] and professional orders in all products, except VIX, executed in AIM, SAM FLEX AIM and FLEX SAM auctions, that were initially entered as an Agency/Primary Order. This fee will apply to such executions instead of the applicable standard transaction fee except in VIX where standard transaction fees will apply.
[20]RESERVED	[The CFLEX AIM Response Fee applies to all broker-dealer and non-Trading Permit Holder market-maker responses in all FLEX products, except Sector Indexes (47) and Underlying Symbol List A (34), executed in the FLEX AIM or FLEX SAM auctions. This fee will apply to such executions instead of the applicable standard transaction fee. Applicable standard transaction fees will apply to FLEX AIM and FLEX SAM response executions in Sector Indexes (47) and Underlying Symbol List A (34).]
21	All electronic executions in SPX and SPXW shall be assessed the SPX and SPXW Execution Surcharge, respectively, except that this fee shall not apply to: (i) orders in SPX or SPXW options in the SPX electronic book for those SPX or SPXW options that are executed during opening rotation on the final settlement date of VIX options and futures which have the expiration that are used in[contribute to] the VIX settlement calculation and (ii) orders executed by a floor broker using a PAR terminal. See also footnote 15.

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27	A customer large trade discount program in the form of a cap on customer ("C" [origin]capacity code) transaction fees is in effect for the options set forth in the Customer Large Trade Discount table. Floor brokerage fees are not subject to the cap on fees. Qualification of an order for the fee cap is based on the trade date and order ID on each order. For complex orders, the total contracts of an order (all legs by underlying symbol) are counted for purposes of calculating the fee cap. To qualify for the discount, the entire order quantity must be tied to a single order ID (unless the order is a complex order with a number of legs that exceeds system limitations) either within the Cboe Command system or PULSe or in the front end system used to enter and/or transmit the order (provided the Exchange is granted access to effectively audit such front end system) (the order must be entered in its entirety on one system so that the Exchange can clearly identify the total size of the order).

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[32]RESERVED	[The Exchange will assess no transaction fees or surcharges for subcabinet trades (limit orders with a price of at least $0 but less than $1 per options contract, per Exchange Rule 6.54, Interpretation and Policy .03). Subcabinet trades will also not count towards any volume thresholds or volume threshold calculations.]

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36	The Exchange shall credit each Trading Permit Holder the per contract amount resulting from each public customer ("C" [origin]capacity code) order transmitted by that Trading Permit Holder which is executed electronically on the Exchange in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), DJX, MXEA, MXEF[, MNX, NDX], XSP, QCC trades, public customer to public customer electronic complex order executions, and executions related to contracts that are routed to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan referenced in Rule 6.80, provided the Trading Permit Holder meets certain percentage thresholds in a month as described in the Volume Incentive Program (VIP) table. This payment will be calculated from the first executed contract at the applicable threshold per contract credit. The percentage thresholds are calculated based on the percentage of national customer volume in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), MXEA, MXEF[, MNX, NDX], DJX and XSP entered and executed over the course of the month. Volume will be recorded for all include origins noted below and credits for customer contracts only will be delivered to the TPH Firm that enters the order into Cboe Command. The Exchange will aggregate the contracts resulting from customer, broker-dealer ("B" [origin]capacity code), joint back-office ("J" [origin]capacity code) and professional customer ("[W]U" [origin]capacity code) orders transmitted and executed electronically on the Exchange from affiliated Trading Permit Holders for purposes of the thresholds described in the VIP table, provided there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. Additionally, the Exchange will aggregate all the contracts contained in any complex order (e.g., a 10 lot butterfly spread will count as 40 contracts).[In the event of a Cboe Options System outage or other interruption of electronic trading on Cboe Options, the Exchange will adjust the national customer volume in all underlying symbols excluding Underlying Symbol List A (34), Sector Indexes (47), MXEA, MXEF, MNX, NDX, DJX and XSP for the duration of the outage.] A Trading Permit Holder may request to receive its credit under the VIP as a separate direct payment.

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41	The Exchange shall rebate transaction fees, including the Index License Surcharge, for SPX and SPXW transactions if the transaction: (i) involves a complex order with at least five (5) different series in S&P 500 Index (SPX) options, SPX Weeklys (SPXW) options, (ii) is a closing-only transaction or, if the transaction involves a Firm order ([origin]capacity code "F"), is an opening transaction executed to facilitate a compression of option positions for a market-maker or joint-back office ("JBO") account executed as a cross pursuant to and in accordance with Cboe Options Rule 6.74(b) or (d); (iii) is a position with a required capital charge equal to the minimum capital charge under Option Clearing Corporation's ("OCC") rules RBH Calculator or is a position comprised of option series with a delta of ten (10) or less and (iv) is entered on any of the final three (3) trading days of any calendar month. The Exchange shall rebate transaction fees, including the Index License Surcharge, for closing transactions involving SPX and SPXW compression-list positions executed in a compression forum (pursuant to Rule 6.56).

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44	The Make Rate is derived from a Liquidity Provider's ("LP") electronic volume the previous month in all symbols excluding Underlying Symbol List A and XSP using the following formula: (i) the LP's total electronic automatic execution ("auto-ex") Maker volume (i.e., volume resulting from that LP's resting quotes or single sided quotes/orders that were executed by an incoming order or quote) divided by (ii) the LP's total auto-ex volume (i.e., volume that resulted from the LP's resting quotes/orders and volume that resulted from that LP's quotes/orders that removed liquidity). Trades on the open and complex orders will be excluded from the Make Rate calculation. The Exchange will aggregate the trading activity of separate Liquidity Provider firms for purposes of the adjustment table if there is at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A. The Taker fees and Maker rebate apply to a LP's electronic volume only, but are not applied to the following: (i) trades on the open, (ii) QCC orders, (iii) complex orders , and (iv) original paired orders executed via an auction mechanism. The Taker fees would apply to the following volume: (i) volume resulting from a LP's orders and/or quotes removing other market participants' resting orders and/or quotes and (ii) volume resulting from a LP's primary orders in unpaired auctions (i.e., Step Up Mechanism ("SUM")[Hybrid Agency Liaison ("HAL") and HAL on the Open ("HALO")]). Transactions in Penny classes would be subject to a cap of $0.50 per contract, which includes the LP Sliding Scale transaction fee, Adjustment Table fee and Marketing Fee. The Maker rebate would apply to the following volume: (i) volume resulting from executions against a LP's resting orders and/or quotes and (ii) volume resulting from a LP's responses to auctions (i.e., Automated Improvement Mechanism ("AIM")[, HAL,] and[/or HALO]SUM responses).
45	A large trade discount program in the form of a cap on Market-Maker, Broker-Dealer, Non-Trading Permit Holder Market-Maker, Professional[/Voluntary Professional] and Joint Back-Office ("M", "B", "N", "[W]U" and "J" [origin]capacity code) transaction fees is in effect for the options set forth in the Large Trade Discount table. Floor brokerage fees are not subject to the cap on fees. Qualification of an order for the fee cap is based on the trade date and order ID on each order. For complex orders, the total contracts of an order (all legs by underlying symbol) are counted for purposes of calculating the fee cap. To qualify for the discount, the entire order quantity must be tied to a single order ID (unless the order is a complex order with a number of legs that exceeds system limitations) either within the Cboe Command system or PULSe or in the front end system used to enter and/or transmit the order (provided the Exchange is granted access to effectively audit such front end system) (the order must be entered in its entirety on one system so that the Exchange can clearly identify the total size of the order).

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48	For purposes of this Program, "Retail" volume will be defined as Customer orders ("C" [origin]capacity code) for which the original order size (in the case of a simple order) or largest leg size (in the case of a complex order) is 100 contracts or less). Additionally "Qualifying Classes" will be defined as SPX (including SPXW), VIX, RUT, MXEA, MXEF & XSP. To determine an Originating Firm's Qualifying Tier, the Originating Firm's total Retail volume in the Qualifying Classes will be divided by the Originating Firm's total Customer volume, Retail and non-Retail, in the Qualifying Classes. If an Originating Firm's Retail volume is between 20.00% and 69.99%, the Originating Firm will qualify for Tier B discounts. If an Originating Firm's Retail volume is at or above 70.00%, the Originating Firm will qualify for Tier A discounts. The Qualifying Tier that is applied in a given month is based on an Originating Firm's Retail volume in the prior month. For the Discount Tier, an Originating Firm's Retail volume in the Qualifying Classes will be divided by total Retail volume in the Qualifying Classes executed on the Exchange. The Clearing Trading Permit Holder that is billed for an Originating Firm's transactions under this program will receive the applicable discounts. If there is more than one Clearing Trading Permit Holder that is billed for an Originating Firm's transactions under this program, then the discounts will be applied on a pro rata basis.

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