

## OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 32

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

File No.\* SR - 2020 - \* 058

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

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

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.

### 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.

(Title \*)

Date 06/24/2020

By Laura G. Dickman

(Name \*)

VP, Associate 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.

ldickman@cboe.com

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information \***

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

**Exhibit 1 - Notice of Proposed Rule Change \***

Add Remove View

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

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

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

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

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Exhibit Sent As Paper Document

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

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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

**Exhibit 5 - Proposed Rule Text**

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

**Partial Amendment**

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

**Item 1. Text of the Proposed Rule Change**

(a) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend its fees schedule. 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 June 12, 2020.

(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

The Exchange proposes to adopt new Footnote 24 of the Fees Schedule to govern pricing changes that apply for the duration of time the Exchange trading floor is being operated in a modified manner in connection with the COVID-19 pandemic.<sup>1</sup> By way of background, on March 16, 2020, the Exchange suspended open outcry trading to help prevent the spread of COVID-19<sup>2</sup> and has been operating in an all-electronic configuration

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<sup>1</sup> The Exchange initially filed the proposed fee changes on June 15, 2020 (SR-CBOE-2020-056). On business date June 24, 2020, the Exchange withdrew that filing and submitted this filing. The Exchange also notes that pricing changes governed by Footnote 12 would not apply when the Exchange operates in a modified state.

<sup>2</sup> On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic and to slow the spread of the disease, federal and state officials

since then. The Exchange intends to reopen its trading floor on June 15, 2020, but with a modified configuration of trading crowds in order to implement social distancing and other measures consistent with local and state health and safety guidelines to help protect the safety and welfare of individuals accessing the trading floor. As a result, the Exchange is relocating and modifying the physical area of certain trading crowds and will also be determining and reducing how many floor participants may access the trading floor, along with determining where floor participants may stand.

#### Proposed Changes

The Exchange first proposes to amend how floor trading permit fees are assessed during the time the Exchange is operating in a modified state in connection with COVID-19. Pursuant to the Fees Schedule, in order to act as a Market-Maker on the floor, a Trading Permit Holder (“TPH”) must purchase a Market-Maker Floor Permit (“MM Floor Permit”), and in order to act as a Floor Broker on the floor, a TPH must purchase a Floor Broker Permit (“FB Permit”). Fees for MM Floor Permits and FB Permits (collectively, “trading floor permits”) are assessed based on the Floor Trading Permit Sliding Scales. As noted above, in order to help protect the safety and welfare of individuals that may access the trading floor, upon reopening on June 15, 2020, the Exchange will regulate how many individuals, including TPH nominees, may access the trading floor. As such, the Exchange does not wish to assess floor trading permit fees for trading permits that the TPH may hold but cannot use to access the trading floor. The Exchange therefore proposes to instead assess floor trading permit fees based on the number of trading permits that are “used”

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implemented social-distancing measures, placed significant limitations on large gatherings, limited travel, and closed non-essential businesses.

(i.e., based on the maximum number of nominees a TPH can, and does have, on the floor on a given day).<sup>3</sup> More specifically, the Exchange proposes to provide that while operating in a modified state in connection with COVID-19, the Exchange will calculate floor trading permit fees by using the following formula: (i) the number of floor trading permits that have a nominee assigned to it in the Customer Web Portal system (“Portal”) in a given month, multiplied by the number of trading days that the floor is open and that a nominee is assigned to each respective trading permit in that month, divided by (ii) the total number of trading days in a month. The Exchange will round up to determine the total number of trading permits assessed fees using the Floor Trading Permit Sliding Scales. The Exchange also proposes to make clear that if the trading floor becomes fully operational mid-month, trading floor permit fees will continue to be assessed using the foregoing formula. The following is an example of how the proposed change in floor trading permit fees would be applied during a month where the trading floor is operating in a modified manner:

*Example:* A SPX Market-Maker TPH holds a total of 6 Market-Maker Floor Permits (“MM Floor Permits”) and is assigned 3 trading spaces on the trading floor in its modified configuration (i.e., may have up to 3 nominees on the floor at a time). In a month with 22 trading days, 2 of the MM Floor Permits are assigned to a nominee in the Customer Web Portal for 17 trading days and 1 of the permits is assigned to a nominee in the Customer Web Portal for 7 trading days that over laps with the other 2 nominees (i.e., for 7 days in the month, the TPH has 3 nominees on the floor). The Exchange would calculate

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<sup>3</sup> For example, if a TPH organization that normally has 5 floor Trading Permits is only allowed to have no more than 2 individuals on the trading floor when the floor is operated in a modified manner, that TPH organization will only be assessed for 2 trading permit fees if both trading permits are used, even if the TPH organization rotates which associated individuals are on the trading floor.

the trading floor permit fees as follows: (i) 2 permits x 17 days + 1 permit x 7 days (i.e., total 41 days), divided by (ii) 22 trading days, which equals = 1.9 permits. Rounding up, the Exchange would apply the Floor Trading Permit Sliding Scale to 2 MM Floor Permits. Based on the Market-Maker Floor Trading Permit Sliding Scale, the TPH's total MM Floor Permit Fees for the month would be \$10,500 (i.e., 1 @ \$6,000 + 1 @ \$4,500).<sup>4</sup>

The Exchange next proposes to include language in Footnote 24 of the Fees Schedule to provide that certain registration fees will not be assessed when the trading floor is operating in a modified manner. By way of background, every TPH organization must designate an individual nominee to represent the organization with respect to each Floor Broker Trading Permit or Market-Maker Floor Trading Permit in all matters relating to the Exchange.<sup>5</sup> An "inactive nominee" of a TPH organization is an individual who is eligible to become an effective nominee of that organization with respect to any Floor Broker Trading Permit or Market-Maker Floor Trading Permit which the organization holds.<sup>6</sup> Only active nominees are permitted to act as a Market-Maker or Floor Broker on the trading floor. In order for an inactive nominee to act as a Market-Maker or Floor Broker on the trading floor, the TPH organization it is associated with must purchase an additional Floor Trading Permit or must swap places with an active nominee on a Trading Permit, which

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<sup>4</sup> The Exchange notes that Market-Maker Floor Tier Appointment Fees will continue to be assessed based on the number of trading permits "used" during a given month (i.e., the number of Tier Appointment Fees assessed will be determined by the highest number of trading permits used in the respective class on any particular day during the month, subject to any applicable thresholds being met). As such, in this example, the Market-Maker TPH would also be assessed 3 SPX Market-Maker Floor Tier Appointment Fees.

<sup>55</sup> See Cboe Options Rule 3.9(b).

<sup>6</sup> See Cboe Options Rule 3.9(e).

nominee would then become inactive. The Exchange currently assesses a monthly fee of \$300 for any nominee that retains inactive status (i.e., “Inactive Nominee Status Fee (Parking Space)”). The Exchange also assesses \$100 each time an inactive nominee swaps places with a nominee on a Trading Permit (“Inactive Nominee Status Change (Trading Permit Swap)” fee). As TPH organizations will not purchase additional floor Trading Permits while the trading floor is operating in a modified manner, and as the Exchange will be regulating how many nominees may access the trading floor, the Exchange believes the Inactive Nominee Status fee (Parking Space) and Inactive Nominee Status Change (Trading Permit Swap) fee should not apply during a month that the Exchange operates in a modified manner. The Exchange notes these fees also did not apply when the Exchange operated in an electronic-only configuration.<sup>7</sup>

The Exchange next proposes to amend the Floor Broker ADV Discount. Under this discount program, FB Trading Permit fees are eligible for rebates based on the average customer ("C") open-outcry contracts executed per day over the course of a calendar month in all underlying symbols. As the trading floor was closed from June 1 through June 12, 2020 (and therefore there were no open-outcry contracts executed during this time), the Exchange proposes that for the month of June 2020, ADV will be based on June 15 - June 30, 2020 volume.

The Exchange next proposes to increase the floor SPX/SPXW Market-Maker Tier Appointment fee from \$3,000 per permit to \$5,000 per permit when the Exchange is operating in a modified state. As noted above, Market-Maker Floor Tier Appointment Fees will continue to be assessed based on the number of trading permits “used” during a given

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<sup>7</sup> See Cboe Options Fees Schedule, Footnote 12.

month (i.e., the number of Tier Appointment Fees assessed will be determined by the highest number of trading permits used in the respective class on any particular day during the month, subject to any applicable thresholds being met).

The Exchange also proposes to increase the Floor Brokerage fees for SPX and SPXW transactions. Specifically, the Exchange proposes to modestly increase the fee for non-crossed orders from \$0.04 per contract to \$0.05 per contract and the fee for crossed orders from \$0.02 per contract to \$0.03 per contract when the Exchange is operating in a modified state.

The Exchange next proposes to waive the following facilities fees for as long as the trading floor is operating in a modified manner as such services and products cannot be utilized during such time; provided however that such fees will be pro-rated based on the remaining trading days in the calendar month if the trading floor becomes fully operational mid-month:

<b>Description</b>	<b>Fee</b>
Standard Booth Rental Fees	\$195/month (Perimeter); \$550/month (OEX, Dow Jones/MNX/VIX)
Non-Standard Booth Rental Fees	\$1,250/month; \$1.70 per sq ft./month
Wireless Phone Rental	\$110/month
Arbitrage Phone Positions	\$550/month
Satellite TV	\$50/month

Lastly, the Exchange proposes to eliminate an obsolete footnote reference in the Floor Brokerage Fees table. Particularly, the Exchange proposes to eliminate the reference to Footnote “(40)”. The Exchange notes that although it recently eliminated Footnote 40 in its entirety (which is now “reserved”), it inadvertently omitted eliminating the appended



reference in the Floor Brokerage Fees table.<sup>8</sup> The proposed deletion maintains clarity in the Fees Schedule and alleviates potential confusion.

(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.<sup>9</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>10</sup> 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,<sup>11</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes the proposed rule change to assess fees to only those floor Trading Permits that are “used” to access the trading floor when the trading floor is

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<sup>8</sup> See Securities and Exchange Act Release No. 88341 (March 6, 2020), 85 FR 14513 (March 12, 2020) (SR-CBOE-2020-006).

<sup>9</sup> 15 U.S.C. 78f(b).

<sup>10</sup> 15 U.S.C. 78f(b)(5).

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

operated in a modified manner is reasonable because TPHs will not be assessed fees for floor Trading Permits that cannot be used to use to access the trading floor. The Exchange believes the proposed formula is reasonable as it assesses fees based on the number of nominees that can, and do, access the trading floor and on the dates that such nominee is assigned to a Trading Permit. The Exchange believes using the number of days a nominee is assigned to a permit to calculate the floor trading permit fees is appropriate as there may be instances in which a TPH does not have a nominee available to occupy one of its assigned trading spaces (e.g., if a nominee must avoid the Exchange's facilities for a reason enumerated in the Covid-19 Policy<sup>12</sup>). The Exchange believes the proposed rule change relating to floor trading permit fees is also reasonable, equitable and not unfairly discriminatory as it applies to all floor TPHs equally.

The Exchange believes the proposal to waive the Inactive Nominee Status fee and Inactive Nominee Status Change fee is reasonable, equitable and not unfairly discriminatory as TPHs would not be subject to such fees and it would apply uniformly to all nominees and inactive nominees. Also as discussed above, the Exchange does not believe it's appropriate to apply such fees, as TPH organizations will not be purchasing additional floor Trading Permits while the trading floor is operating in a modified manner, and as the Exchange is regulating how many nominees may access the trading floor.

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<sup>12</sup> See Cboe Trade Notice "Standards of Conduct related to the Reopening of the Cboe Options Trading Floor and COVID-19", Reference ID C2020052601, available at [https://cdn.cboe.com/resources/release\\_notes/2020/Standards-of-Conduct-related-to-the-Reopening-of-the-Cboe-Options-Trading-Floor-Notice-Final.pdf](https://cdn.cboe.com/resources/release_notes/2020/Standards-of-Conduct-related-to-the-Reopening-of-the-Cboe-Options-Trading-Floor-Notice-Final.pdf).

Moreover, as noted above, the Exchange already waives both fees when the trading floor is fully inoperable.<sup>13</sup>

The Exchange also believes its proposal to base the ADV thresholds for the Floor Broker ADV Discount program on volume from June 15 through June 30, 2020 is reasonable as such discount is based on open-outcry volume only and the Exchange floor was closed between June 1 – June 12, 2020. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it applies uniformly to all Floor Brokers.

The Exchange believes the proposal to increase the floor SPX/SPXW Market-Maker Tier Appointment fee is reasonable because floor Market-Makers trading SPX/SPXW will still be paying similar trading permit-related fees as compared to when the trading floor was fully operational. Particularly, the Exchange notes that because it intends to limit the amount of Market-Makers in SPX/SPXW allowed on the trading floor when the trading floor is operated in a modified manner, Market-Makers will be saving on trading permit fees it would otherwise incur if the trading floor were fully operational.<sup>14</sup> The Exchange also notes that it has not increased the SPX/SPXW Market-Maker Tier Appointment fee amount since it was adopted ten years ago.<sup>15</sup> The Exchange also believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it applies to all floor Market-Makers trading SPX/SPXW equally. The Exchange believes it's

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<sup>13</sup> See Cboe Options Fees Schedule, Footnote 12.

<sup>14</sup> The Exchange notes that it intends to allow Market-Maker TPH organizations in SPX to assign nominees to approximately half of the floor MM Floor Permits each TPH organization holds to access the trading floor. As discussed above, Market-Makers would not be assessed fees for the MM Floor Permits it is not allowed to use to access the trading floor.

<sup>15</sup> See Securities Exchange Act Release No. 62386 (June 25, 2010) 75 FR 38566 (July 2, 2010) (SR-CBOE-2010-060).

reasonable equitable and not unfairly discriminatory to increase the SPX/SPXW floor Market-Maker Tier Appointment fee and not the SPX/SPXW electronic Market-Maker Tier Appointment fee when the floor is operating in a modified state, as electronic Market-Makers pay the same trading permit fees regardless of whether the floor is open, closed or partially open, as compared to floor Market-Makers who are otherwise paying lower trading permit fees when the floor is partially open, as discussed above.

The Exchange similarly believes it's reasonable to increase the SPX/SPXW floor brokerage fees as it's a modest increase and as Floor Brokers in SPX are also expected to pay less in FB Permit fees when the Exchange is operating in a modified manner.<sup>16</sup> The Exchange also notes that it has not increased the SPX/SPXW Floor Brokerage fee amounts in well over fourteen years.<sup>17</sup> The Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it applies to all Floor Brokers equally.

The Exchange believes the proposal to waive the identified facility fees is reasonable as market participants won't be subject to such fees. The listed facility fees each apply to a product or service that may only be utilized when the trading floor is operating at fully capacity and will not be available when the Exchange is operating in a modified manner. The Exchange believes it's therefore appropriate to waive such fees while the

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<sup>16</sup> The Exchange notes that it intends to allow Floor Broker TPH organizations in SPX to assign nominees to approximately half of the floor FB Floor Permits each TPH organization holds to access the trading floor. As discussed above, Floor Brokers would not be assessed fees for the FB Floor Permits it is not allowed to use to access the trading floor.

<sup>17</sup> See Securities Exchange Act Release No. 53372 (February 24, 2006) 71 FR 11003 (March 3, 2006) (SR-CBOE-2006-10).

Exchange is operating in a modified manner. The Exchange also believes it's appropriate to pro-rate such fees if the trading floor reopens mid-month as market participants will have the benefit of using such services/products for the remainder of the month. The Exchange believes the proposed rule change is equitable and not unfairly discriminatory as it applies equally to all market participants.

The Exchange lastly believes the proposed deletion of an obsolete footnote reference maintains clarity in the Fees Schedule and alleviates potential confusion, thereby reducing 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 changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes the proposed changes relating to Footnote 24 are not intended to address any competitive issue, but rather to address fee changes it believes are reasonable because the trading floor is reopening, but must be operated in a modified manner in connection with COVID-19 in order to help protect the safety and welfare of individuals access the trading floor. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes apply equally to all similarly situated market participants. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes only affect trading on the Exchange in limited circumstances.

**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<sup>18</sup> and Rule 19b-4(f)(2)<sup>19</sup> thereunder.

(b) The Exchange designates that the proposed rule change establishes or changes a due, fee, or other charge imposed by the Exchange, which renders the proposed rule change effective upon filing with the Securities and Exchange Commission (the "Commission"). At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

(c) Not applicable.

(d) Not applicable.

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<sup>18</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>19</sup> 17 CFR 240.19b-4(f)(2).

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

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

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

Not applicable.

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

Not applicable.

**Item 11.      Exhibits**

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

Exhibit 5.      Proposed rule text.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CBOE-2020-058]

[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

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on [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. 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.

**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

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

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



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

The Exchange proposes to adopt new Footnote 24 of the Fees Schedule to govern pricing changes that apply for the duration of time the Exchange trading floor is being operated in a modified manner in connection with the COVID-19 pandemic.<sup>3</sup> By way of background, on March 16, 2020, the Exchange suspended open outcry trading to help prevent the spread of COVID-19<sup>4</sup> and has been operating in an all-electronic configuration since then. The Exchange intends to reopen its trading floor on June 15, 2020, but with a modified configuration of trading crowds in order to implement social distancing and other measures consistent with local and state health and safety guidelines to help protect the safety and welfare of individuals accessing the trading floor. As a result, the Exchange is relocating and modifying the physical area of certain trading crowds and will also be determining and reducing how many floor participants may access the trading floor, along with determining where floor participants may stand.

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<sup>3</sup> The Exchange initially filed the proposed fee changes on June 15, 2020 (SR-CBOE-

2020-056). On business date June 24, 2020, the Exchange withdrew that filing and submitted this filing. The Exchange also notes that pricing changes governed by Footnote 12 would not apply when the Exchange operates in a modified state.

<sup>4</sup> On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic and to slow the spread of the disease, federal and state officials implemented social-distancing measures, placed significant limitations on large gatherings, limited travel, and closed non-essential businesses.

Proposed Changes

The Exchange first proposes to amend how floor trading permit fees are assessed during the time the Exchange is operating in a modified state in connection with COVID-19. Pursuant to the Fees Schedule, in order to act as a Market-Maker on the floor, a Trading Permit Holder (“TPH”) must purchase a Market-Maker Floor Permit (“MM Floor Permit”), and in order to act as a Floor Broker on the floor, a TPH must purchase a Floor Broker Permit (“FB Permit”). Fees for MM Floor Permits and FB Permits (collectively, “trading floor permits”) are assessed based on the Floor Trading Permit Sliding Scales. As noted above, in order to help protect the safety and welfare of individuals that may access the trading floor, upon reopening on June 15, 2020, the Exchange will regulate how many individuals, including TPH nominees, may access the trading floor. As such, the Exchange does not wish to assess floor trading permit fees for trading permits that the TPH may hold but cannot use to access the trading floor. The Exchange therefore proposes to instead assess floor trading permit fees based on the number of trading permits that are “used” (i.e., based on the maximum number of nominees a TPH can, and does have, on the floor on a given day).<sup>5</sup> More specifically, the Exchange proposes to provide that while operating in a modified state in connection with COVID-19, the Exchange will calculate floor trading permit fees by using the following formula: (i) the number of floor trading permits that have a nominee assigned to it in the Customer Web Portal system (“Portal”) in a given month, multiplied by the number of

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<sup>5</sup> For example, if a TPH organization that normally has 5 floor Trading Permits is only allowed to have no more than 2 individuals on the trading floor when the floor is operated in a modified manner, that TPH organization will only be assessed for 2 trading permit fees if both trading permits are used, even if the TPH organization rotates which associated individuals are on the trading floor.

trading days that the floor is open and that a nominee is assigned to each respective trading permit in that month, divided by (ii) the total number of trading days in a month. The Exchange will round up to determine the total number of trading permits assessed fees using the Floor Trading Permit Sliding Scales. The Exchange also proposes to make clear that if the trading floor becomes fully operational mid-month, trading floor permit fees will continue to be assessed using the foregoing formula. The following is an example of how the proposed change in floor trading permit fees would be applied during a month where the trading floor is operating in a modified manner:

*Example:* A SPX Market-Maker TPH holds a total of 6 Market-Maker Floor Permits (“MM Floor Permits”) and is assigned 3 trading spaces on the trading floor in its modified configuration (i.e., may have up to 3 nominees on the floor at a time). In a month with 22 trading days, 2 of the MM Floor Permits are assigned to a nominee in the Customer Web Portal for 17 trading days and 1 of the permits is assigned to a nominee in the Customer Web Portal for 7 trading days that over laps with the other 2 nominees (i.e., for 7 days in the month, the TPH has 3 nominees on the floor). The Exchange would calculate the trading floor permit fees as follows: (i) 2 permits x 17 days + 1 permit x 7 days (i.e., total 41 days), divided by (ii) 22 trading days, which equals = 1.9 permits. Rounding up, the Exchange would apply the Floor Trading Permit Sliding Scale to 2 MM Floor Permits. Based on the Market-Maker Floor Trading Permit Sliding Scale, the TPH’s total MM Floor Permit Fees for the month would be \$10,500 (i.e., 1 @ \$6,000 + 1 @ \$4,500).<sup>6</sup>

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<sup>6</sup> The Exchange notes that Market-Maker Floor Tier Appointment Fees will continue to be assessed based on the number of trading permits “used” during a given month (i.e., the number of Tier Appointment Fees assessed will be

The Exchange next proposes to include language in Footnote 24 of the Fees Schedule to provide that certain registration fees will not be assessed when the trading floor is operating in a modified manner. By way of background, every TPH organization must designate an individual nominee to represent the organization with respect to each Floor Broker Trading Permit or Market-Maker Floor Trading Permit in all matters relating to the Exchange.<sup>7</sup> An “inactive nominee” of a TPH organization is an individual who is eligible to become an effective nominee of that organization with respect to any Floor Broker Trading Permit or Market-Maker Floor Trading Permit which the organization holds.<sup>8</sup> Only active nominees are permitted to act as a Market-Maker or Floor Broker on the trading floor. In order for an inactive nominee to act as a Market-Maker or Floor Broker on the trading floor, the TPH organization it is associated with must purchase an additional Floor Trading Permit or must swap places with an active nominee on a Trading Permit, which nominee would then become inactive. The Exchange currently assesses a monthly fee of \$300 for any nominee that retains inactive status (i.e., “Inactive Nominee Status Fee (Parking Space)”). The Exchange also assesses \$100 each time an inactive nominee swaps places with a nominee on a Trading Permit (“Inactive Nominee Status Change (Trading Permit Swap)” fee). As TPH organizations will not purchase additional floor Trading Permits while the trading floor is operating in a modified manner, and as the Exchange will be regulating how many nominees may

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determined by the highest number of trading permits used in the respective class on any particular day during the month, subject to any applicable thresholds being met). As such, in this example, the Market-Maker TPH would also be assessed 3 SPX Market-Maker Floor Tier Appointment Fees.

<sup>77</sup> See Cboe Options Rule 3.9(b).

<sup>8</sup> See Cboe Options Rule 3.9(e).

access the trading floor, the Exchange believes the Inactive Nominee Status fee (Parking Space) and Inactive Nominee Status Change (Trading Permit Swap) fee should not apply during a month that the Exchange operates in a modified manner. The Exchange notes these fees also did not apply when the Exchange operated in an electronic-only configuration.<sup>9</sup>

The Exchange next proposes to amend the Floor Broker ADV Discount. Under this discount program, FB Trading Permit fees are eligible for rebates based on the average customer ("C") open-outcry contracts executed per day over the course of a calendar month in all underlying symbols. As the trading floor was closed from June 1 through June 12, 2020 (and therefore there were no open-outcry contracts executed during this time), the Exchange proposes that for the month of June 2020, ADV will be based on June 15 - June 30, 2020 volume.

The Exchange next proposes to increase the floor SPX/SPXW Market-Maker Tier Appointment fee from \$3,000 per permit to \$5,000 per permit when the Exchange is operating in a modified state. As noted above, Market-Maker Floor Tier Appointment Fees will continue to be assessed based on the number of trading permits "used" during a given month (i.e., the number of Tier Appointment Fees assessed will be determined by the highest number of trading permits used in the respective class on any particular day during the month, subject to any applicable thresholds being met).

The Exchange also proposes to increase the Floor Brokerage fees for SPX and SPXW transactions. Specifically, the Exchange proposes to modestly increase the fee for non-crossed orders from \$0.04 per contract to \$0.05 per contract and the fee for crossed

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<sup>9</sup> See Cboe Options Fees Schedule, Footnote 12.

orders from \$0.02 per contract to \$0.03 per contract when the Exchange is operating in a modified state.

The Exchange next proposes to waive the following facilities fees for as long as the trading floor is operating in a modified manner as such services and products cannot be utilized during such time; provided however that such fees will be pro-rated based on the remaining trading days in the calendar month if the trading floor becomes fully operational mid-month:

<b>Description</b>	<b>Fee</b>
Standard Booth Rental Fees	\$195/month (Perimeter); \$550/month (OEX, Dow Jones/MNX/VIX)
Non-Standard Booth Rental Fees	\$1,250/month; \$1.70 per sq ft./month
Wireless Phone Rental	\$110/month
Arbitrage Phone Positions	\$550/month
Satellite TV	\$50/month

Lastly, the Exchange proposes to eliminate an obsolete footnote reference in the Floor Brokerage Fees table. Particularly, the Exchange proposes to eliminate the reference to Footnote “(40)”. The Exchange notes that although it recently eliminated Footnote 40 in its entirety (which is now “reserved”), it inadvertently omitted eliminating the appended reference in the Floor Brokerage Fees table.<sup>10</sup> The proposed deletion maintains clarity in the Fees Schedule and alleviates potential confusion.

## 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

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<sup>10</sup> See Securities and Exchange Act Release No. 88341 (March 6, 2020), 85 FR 14513 (March 12, 2020) (SR-CBOE-2020-006).

the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>11</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>12</sup> 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,<sup>13</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

The Exchange believes the proposed rule change to assess fees to only those floor Trading Permits that are “used” to access the trading floor when the trading floor is operated in a modified manner is reasonable because TPHs will not be assessed fees for floor Trading Permits that cannot be used to use to access the trading floor. The Exchange believes the proposed formula is reasonable as it assesses fees based on the number of nominees that can, and do, access the trading floor and on the dates that such nominee is assigned to a Trading Permit. The Exchange believes using the number of days a nominee is assigned to a permit to calculate the floor trading permit fees is appropriate as there may be instances in which a TPH does not have a nominee available

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

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> 15 U.S.C. 78f(b)(4).

to occupy one of its assigned trading spaces (e.g., if a nominee must avoid the Exchange's facilities for a reason enumerated in the Covid-19 Policy<sup>14</sup>). The Exchange believes the proposed rule change relating to floor trading permit fees is also reasonable, equitable and not unfairly discriminatory as it applies to all floor TPHs equally.

The Exchange believes the proposal to waive the Inactive Nominee Status fee and Inactive Nominee Status Change fee is reasonable, equitable and not unfairly discriminatory as TPHs would not be subject to such fees and it would apply uniformly to all nominees and inactive nominees. Also as discussed above, the Exchange does not believe it's appropriate to apply such fees, as TPH organizations will not be purchasing additional floor Trading Permits while the trading floor is operating in a modified manner, and as the Exchange is regulating how many nominees may access the trading floor. Moreover, as noted above, the Exchange already waives both fees when the trading floor is fully inoperable.<sup>15</sup>

The Exchange also believes its proposal to base the ADV thresholds for the Floor Broker ADV Discount program on volume from June 15 through June 30, 2020 is reasonable as such discount is based on open-outcry volume only and the Exchange floor was closed between June 1 – June 12, 2020. The Exchange believes the proposed change is equitable and not unfairly discriminatory as it applies uniformly to all Floor Brokers.

The Exchange believes the proposal to increase the floor SPX/SPXW Market-Maker Tier Appointment fee is reasonable because floor Market-Makers trading

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<sup>14</sup> See Cboe Trade Notice "Standards of Conduct related to the Reopening of the Cboe Options Trading Floor and COVID-19", Reference ID C2020052601, available at [https://cdn.cboe.com/resources/release\\_notes/2020/Standards-of-Conduct-related-to-the-Reopening-of-the-Cboe-Options-Trading-Floor-Notice-Final.pdf](https://cdn.cboe.com/resources/release_notes/2020/Standards-of-Conduct-related-to-the-Reopening-of-the-Cboe-Options-Trading-Floor-Notice-Final.pdf).

<sup>15</sup> See Cboe Options Fees Schedule, Footnote 12.



SPX/SPXW will still be paying similar trading permit-related fees as compared to when the trading floor was fully operational. Particularly, the Exchange notes that because it intends to limit the amount of Market-Makers in SPX/SPXW allowed on the trading floor when the trading floor is operated in a modified manner, Market-Makers will be saving on trading permit fees it would otherwise incur if the trading floor were fully operational.<sup>16</sup> The Exchange also notes that it has not increased the SPX/SPXW Market-Maker Tier Appointment fee amount since it was adopted ten years ago.<sup>17</sup> The Exchange also believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it applies to all floor Market-Makers trading SPX/SPXW equally. The Exchange believes it's reasonable equitable and not unfairly discriminatory to increase the SPX/SPXW floor Market-Maker Tier Appointment fee and not the SPX/SPXW electronic Market-Maker Tier Appointment fee when the floor is operating in a modified state, as electronic Market-Makers pay the same trading permit fees regardless of whether the floor is open, closed or partially open, as compared to floor Market-Makers who are otherwise paying lower trading permit fees when the floor is partially open, as discussed above.

The Exchange similarly believes it's reasonable to increase the SPX/SPXW floor brokerage fees as it's a modest increase and as Floor Brokers in SPX are also expected to

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<sup>16</sup> The Exchange notes that it intends to allow Market-Maker TPH organizations in SPX to assign nominees to approximately half of the floor MM Floor Permits each TPH organization holds to access the trading floor. As discussed above, Market-Makers would not be assessed fees for the MM Floor Permits it is not allowed to use to access the trading floor.

<sup>17</sup> See Securities Exchange Act Release No. 62386 (June 25, 2010) 75 FR 38566 (July 2, 2010) (SR-CBOE-2010-060).

pay less in FB Permit fees when the Exchange is operating in a modified manner.<sup>18</sup> The Exchange also notes that it has not increased the SPX/SPXW Floor Brokerage fee amounts in well over fourteen years.<sup>19</sup> The Exchange believes the proposed rule change is reasonable, equitable and not unfairly discriminatory as it applies to all Floor Brokers equally.

The Exchange believes the proposal to waive the identified facility fees is reasonable as market participants won't be subject to such fees. The listed facility fees each apply to a product or service that may only be utilized when the trading floor is operating at fully capacity and will not be available when the Exchange is operating in a modified manner. The Exchange believes it's therefore appropriate to waive such fees while the Exchange is operating in a modified manner. The Exchange also believes it's appropriate to pro-rate such fees if the trading floor reopens mid-month as market participants will have the benefit of using such services/products for the remainder of the month. The Exchange believes the proposed rule change is equitable and not unfairly discriminatory as it applies equally to all market participants.

The Exchange lastly believes the proposed deletion of an obsolete footnote reference maintains clarity in the Fees Schedule and alleviates potential confusion, thereby reducing impediments to, and perfecting the mechanism of a free and open

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<sup>18</sup> The Exchange notes that it intends to allow Floor Broker TPH organizations in SPX to assign nominees to approximately half of the floor FB Floor Permits each TPH organization holds to access the trading floor. As discussed above, Floor Brokers would not be assessed fees for the FB Floor Permits it is not allowed to use to access the trading floor.

<sup>19</sup> See Securities Exchange Act Release No. 53372 (February 24, 2006) 71 FR 11003 (March 3, 2006) (SR-CBOE-2006-10).

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 changes will impose any burden on competition that are not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes the proposed changes relating to Footnote 24 are not intended to address any competitive issue, but rather to address fee changes it believes are reasonable because the trading floor is reopening, but must be operated in a modified manner in connection with COVID-19 in order to help protect the safety and welfare of individuals access the trading floor. The Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes apply equally to all similarly situated market participants. The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes only affect trading on the Exchange in limited circumstances.

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<sup>20</sup> and paragraph (f) of Rule 19b-4<sup>21</sup> 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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2020-058 on the subject line.

#### **Paper comments:**

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

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<sup>20</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>21</sup> 17 CFR 240.19b-4(f).

All submissions should refer to File Number SR-CBOE-2020-058. 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-2020-058 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>22</sup>

Secretary

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<sup>22</sup> 17 CFR 200.30-3(a)(12).

**Cboe Exchange, Inc.**  
**Fees Schedule - June [15] 24, 2020**

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Market-Maker Tier Appointment Fees (41)(12)			
Symbol	Criteria	Monthly Fees (per unit)	Notes
SPX	MM Floor Permit executes any contracts in SPX/SPXW (24)	\$3,000 per MM Floor Permit	The Market-Maker EAP SPX Tier Appointment fee will be assessed to any Market-Maker EAP that executes at least 1,000 contracts in SPX/SPXW, excluding contracts executed during opening rotation on the final settlement date of VIX options and futures which have the expiration that is used in the VIX settlement calculation.
	Market-Maker EAP executes at least 1,000 contracts in SPX/SPXW	\$3,000 per TPH	
VIX	MM Floor Permit executes at least 1,000 contracts in VIX	\$2,000 per MM Floor Permit	
	Market-Maker EAP executes at least 1,000 contracts in VIX	\$2,000 per TPH	
RUT	MM Floor Permit executes at least 1,000 contracts in RUT	\$1,000 per MM Floor Permit	
	Market-Maker EAP executes at least 1,000 contracts in RUT	\$1,000 per TPH	

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Floor Trading Permit Sliding Scales (12)(24)			
Type of Permit	Permit Quantity	Monthly Fee (per permit)	Notes
Market-Maker Floor Permit	1	\$6,000	Entitles the holder to act as a Market-Maker on the floor of the exchange.
	2 to 5	\$4,500	
	6 to 10	\$3,500	
	> 10	\$2,000	
Floor Broker Permit	1	\$7,500	Entitles the holder to act as a Floor Broker on the floor of the exchange.
	2 to 3	\$5,700	
	4 to 5	\$4,500	
	> 5	\$3,200	

Access fees are non-refundable and are assessed through the integrated billing system during the first week of the following month. If a Trading Permit is issued during a calendar month after the first trading day of the month, the access fee for the Trading Permit for that calendar month is prorated based on the remaining trading days in the calendar month. Trading Permits will be renewed automatically for the next month unless the Trading Permit Holder submits written notification to the Membership Services Department by 4 p.m. CT on the second-to-last business day of the prior month to cancel the Trading Permit effective at or prior to the end of the applicable month. Floor Trading Permit Fees are charged based on the maximum number of Floor Permit fees held during the month.

Floor Broker ADV Discount (41)			
Tier	ADV	Floor Broker Permit Rebate	Notes
1	0 to 99,999	0%	Floor Broker Trading Permit fees will be eligible for rebates based on the average customer ("C") open-outcry contracts executed per day over the course of a calendar month in all underlying symbols. The Floor Broker ADV Discount will be available for all Floor Broker Trading Permits held by affiliated Trading Permit Holders and TPH organizations. <u>For June 2020, ADV will be based on June 15 -June 30, 2020 volume.</u>
2	100,000 to 174,999	15%	
3	> 174,999	25%	

Floor Brokerage Fees (1)(5)(15)		
Description		Fee Per Contract
OEX, XEO, RUT, RLG, RLV, RUI, UKXM and SPX Index Options [(40)](24)	Non-Crossed Orders	\$0.04
	Crossed Orders	\$0.02
VIX	Non-Crossed Orders	\$0.03
	Crossed Orders	\$0.015

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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.
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) (12)(24)	\$300	
Inactive Nominee Status Change (Trading Permit Swap) (12)(24)	\$100	
Fingerprint Processing Fee	\$60	
Trading Permit Transfer Fee	\$500	
TPH Organization Renewal Fee	\$2,500	

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Facility Fees (per month)(28)					
A copy of the Cboe Options Trading Floor Booth Policy is located at www.Cboe.org.					
Booths		Fee Per Month			
Standard Booth Rental Fee (12)(24)	Perimeter	\$195			
	OEX	\$550			
	Dow Jones/MNX/VIX	\$550			
Non-Standard Booth Rental Fee (12)(24)	Base Booth Rental Fee	Square Footage Fee (up to 1,000 sq. ft.)		Notes	
	\$1,250	\$1.70 (per sq. ft.)		A Trading Permit Holder (“TPH”) organization will pay non-standard booth rental fees on a monthly basis for use of a non-standard booth. The fee a TPH organization will pay is the base booth rental fee plus the square footage fee, determined based on the size of the booth. Non-standard booths must be leased for a term of one year. A TPH organization that terminates its lease prior to its expiration date will, on the effective date of such termination, pay to the Exchange an amount equal to twenty five percent (25%) of the balance of the monthly charges remaining in the lease term. Early termination penalties will not be assessed for early termination of leases entered into prior to August 1, 2016 that are terminated by mutual agreement of the TPH organization and the Exchange.	
Booth Pass-Through Fee	A TPH Organization shall be responsible for all costs associated with any modifications and alterations to any trading floor booths leased by the TPH Organization and shall reimburse Cboe Options for all costs incurred by Cboe Options in connection therewith.				
Arbitrage Phone Positions (12)(24)		\$550			
Forms and Forms Storage (50)	HP Laser Printer Paper	\$5.00 per packet of 500 sheets			
	Zebra Printer Paper	\$19.50 per roll			
	Zebra Printer Ink	\$19.50 per roll			
	Forms Storage	\$11			
Access Badges		Fee			
Badge Type	Floor Manager (12)	\$130			
	Clerks (12)	\$70			
Communications		Monthly Fee	Installation	Relocation	Removal
Exchangefone	Exchangefone		\$935	\$129	\$100
	Maintenance (12)	\$57			
	With Recorded Coupler Between Booths			\$126	
	Within Booth			\$25	
Single Line	Maintenance (12)	\$11.50			
Wireless Phone Rentals (plus usage fee)	Monthly Fee (12)(24)	\$110			
	Replacement/Repairs	cost			
Lines		Monthly Fee	Installation	Relocation	Removal
Intra-Floor (12)		\$57.75			
Voice Circuits (12)		\$16	\$52.50		\$36.75
Appearances	New Circuits - First		\$120		\$50
	New Circuits - @ Additional		\$18		\$18
	Exisiting Line Appearance - First		\$50	\$50	\$25
	Exisiting Line Appearance - @ Additional		\$18	\$18	\$18
Data Circuits at Local Carrier (entrance) (12)		\$16	\$52.50		\$36.75
Data Circuits at In-House Frame (12)	Lines Between Local Carrier and Communications Center (CC)	\$12.75	\$550		
	Lines Direct From Local Carrier to Trading Floor	\$12.75	\$725	\$625	
	Lines Between CC and Trading Floor	\$12.75	\$725	\$625	
Vendor Services		Monthly Fee	Installation	Relocation	Removal
Shelf for Equipment		\$100			
Data Circuits from Local Carrier to Equipment Shelf		\$50			
Lines from Equipment to Floor		\$50			
Technical Support Outside Normal Hours (\$100/hour, 4 hr. min.)					

Facility Fees (per month)(28) (continued)				
Miscellaneous	Monthly Fee	Installation	Relocation	Removal
Handsets		\$79		
Headset Jack		\$131	\$58	\$28
Recorder Coupler		\$150 new/\$50 existing	\$25	\$25
IPC (vendor) Time & Material (per hour)		cost		
IPC (vendor) Time & Material Overtime (per hour)		cost		
After Hours Technician Service (per hour, 4 hr. min.)		\$100		
Market-Maker Handheld Terminal Tethering Services		\$450	\$200	
Market-Maker Handheld Terminal Tethering Services For Indexes		\$900	\$200	
Trading Floor Terminal Rentals	Monthly Fee	Notes		
Thomson/Other (Basic Service) (12)	\$425			
PULSe On-Floor Workstation		See PULSe Workstation fees below.		
Satellite TV (12)(24)	\$50			
PAR Workstation (12)	\$125			
Cboe Options Trading Floor Terminal (12)	\$250	Installation \$175, Relocation \$225, Removal \$125		
PAR Workstation Replacement Fees	Fee	Notes		
Replacement Tablet	\$1,300 each	Fees are assessed only on items that are (1) lost or (2) damaged from non-normal wear and tear.		
Replacement Stylus Pens	\$100 each			
Replacement Chargers	\$75 each			
Replacement Ethernet Adapters and Protective Cases	\$50 each			
Co-Location	Monthly Fee	Notes		
Co-Location of Equipment Fee (per "U" - 1.75 inches)	\$50	Fees are charged in increments of 4 "U" (7 inches)		
Co-Location of Equipment Fee (per "U" - 1.75 inches)/Sponsored User	\$100			

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Footnotes (Continued):	
Footnote Number	Description
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[RESERVED]24	When the Exchange is operating in a modified state in connection with the COVID-19 pandemic, floor trading permit fees will not be assessed on the total number of floor trading permits a TPH organization holds, and instead will be based on the floor trading permits used by nominees of the TPH each day during the month using the following formula: (i) the number of floor trading permits that have a nominee assigned to it in the Customer Web Portal system ("Portal") in a given month, multiplied by the number of trading days that the floor is open and that a nominee is assigned to each respective trading permit in that month, divided by (ii) the total number of trading days in a month. The Exchange will round up to determine the total number of trading permits assessed the fees set forth in the Floor Trading Permit Sliding Scales. If the trading floor becomes fully operational mid-month, trading floor permit fees will continue to be assessed using the foregoing formula. The Exchange will also apply the following pricing changes for the duration of time the Exchange is operating in a modified state in connection with the COVID-19 pandemic: (1) the monthly fee for the SPX/SPXW Floor Market-Maker Tier Appointment Fee will be increased to \$5,000 per Trading Permit; (2) SPX/SPXW Floor Brokerage Fees will be assessed the rate of \$0.05 per contract for non-crossed orders and \$0.03 per contract for crossed orders; (3) the Inactive Nominee Status (Parking Space) and Inactive Nominee Status Change (Trading Permit Swap) fees will not apply during any month the trading floor is operating in a modified state; and (4) monthly fees will be waived for the following facilities fees: standard and non-standard booth rentals, wireless phone rental, arbitrage phone positions and satellite tv, provided however that such fees will be pro-rated based on the remaining trading days in the calendar month if the trading floor becomes fully operational mid-month.

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