# Regulatory Circular RG17-008

**Date:** **January 20, 2017**

**To:** **Trading Permit Holders**

**From:** **Finance and Administration**

**RE:** **January 2017 Fees Schedule Changes**

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This circular explains changes to the Fees Schedule for Chicago Board Options Exchange, Incorporated (the "Exchange" or "CBOE").

Subject to Securities and Exchange Commission ("SEC") review, the change summarized below will be effective January 17, 2017.

## 2017 Liquidity Provider ("LP") Sliding Scale For All Underlying Symbols Excluding Underlying Symbol List A[1] and Mini-Options; and Make/Take, Penny/Non-Penny Adjustments to the LP Fee Per Contract

On January 3, 2017, the Exchange adopted the Liquidity Provider Sliding Scale Adjustment Table ("Adjustment Table") which established Taker fees to be applied to "Taker" volume and a Maker rebate that would be applied to "Maker" volume in addition to the transaction fees assessed under LP Sliding Scale. As of January 17, 2017, transactions in Penny classes will be subject to a cap of $0.50 per contract, which includes the LP Sliding Scale transaction fee, Adjustment Table fee and Marketing Fee.

*Example: If a Market-Maker is assessed the Marketing Fee on a given transaction ($0.25 per contract) for which it was a Taker in a Penny class, and that Market-Maker for that transaction falls in Tier 1 of the LP Sliding Scale ($0.23 per contract) and Performance Tier 1 of the Adjustment Table ($0.04 per contract), the Market-Maker would be assessed $0.50 per contract for the transaction, instead of $0.52 per contract.*

Subject to SEC review, the change summarized below will be effective January 18, 2017.

## Noncustomer Fees in Penny Classes for Complex Orders

Auction responses in COA and Complex AIM will be subject to a cap of $0.50 per contract, which includes the applicable transaction fee, Complex Surcharge (formerly "Complex Taker Fee") and Marketing Fee (if applicable).

*Example A:  A Broker-Dealer COA response in a Penny Class is subject to the $0.47 per contract transaction fee and $0.10 per contract Complex Surcharge would only be charged $0.50 per contract rather than the $0.57 per contract (the total of the transaction fee and Complex Surcharge).*

*Example B:  A Broker-Dealer complex order that removes liquidity from the COB, would be assessed the $0.47 per contract transaction fee and the $0.10 per contract Complex Surcharge for a total of $0.57 per contract.*

*Example C: A Market-Maker AIM response in a Penny class that is subject to the $0.25 per contract Marketing Fee, the LP Sliding Scale Tier 1 rate ($0.23 per contract) and Complex Surcharge ($0.10 per*

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[1] As of the date of this Circular, Underlying Symbol List A consists of OEX, XEO, RUT, RLG, RLV, RUI, AWDE, FTEM, FXTM, UKXM SPX/SPXW, SPXpm, SRO, VIX, Volatility Indexes and binary options.

*contract) would only be charged $0.50 per contract rather than the $0.58 per contract (the total of the applicable transaction fee, Complex Surcharge and Marketing Fee).*

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**CBOE Fees Schedule**
http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf

**Additional Information**
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