

Required fields are shown with yellow backgrounds and asterisks.

Filing by Cboe Exchange, Inc.  
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**

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

The Exchange proposes to amend the Select Customer Options Reduction program.

**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 03/29/2019      Assistant General Counsel  
 By Corinne Klott     

(Name \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

Add Remove View

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

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

Add Remove View

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

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

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

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

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Exhibit Sent As Paper Document

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

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

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Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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

**Exhibit 5 - Proposed Rule Text**

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

**Partial Amendment**

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

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

(a) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to amend the Select Customer Options Reduction program. 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 March 29, 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

The Exchange proposes to amend the Select Customer Options Reduction program (“SCORE”) to (i) eliminate the use of product multipliers and (ii) increase certain discounts.<sup>1</sup> By way of background, SCORE is a discount program for Retail<sup>2</sup>, Non-FLEX Customer (“C” origin code) volume in the following options classes: SPX (including SPXW), VIX, RUT, MXEA, MXEF & XSP (“Qualifying Classes”). The

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<sup>1</sup> The proposed SCORE amendments will be effective April 1, 2019.

<sup>2</sup> For purposes of the program “Retail” orders will be defined as Customer orders 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.

SCORE program is available to any Trading Permit Holder (“TPH”) Originating Clearing Firm or non-TPH Originating Clearing Firm that sign up for the program.<sup>3</sup> The SCORE program currently utilizes two measures for participation and discounts: 1) the Qualifying Tiers, which determine whether a firm qualifies for the discounts in either Tier A or Tier B and 2) the Discount Tiers, which determine the Originating Firm’s applicable discount tiers and corresponding discounts.

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 (e.g., an Originating Firm’s volume in March determines which Qualifying Tier applies in April).<sup>4</sup>

For the Discount Tier, an Originating Firm’s Retail volume in the Qualifying Classes is divided by total Retail volume in the Qualifying Classes executed on the Exchange. Additionally, SCORE employs the use of “product multipliers” for the

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<sup>3</sup> For this program, an “Originating Clearing Firm” is defined as either (a) the executing clearing Options Clearing Corporation (“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.

<sup>4</sup> For example, in March, if an Originating Firm executes a total of 1,000,000 Customer (C) contracts in the Qualifying Classes, of which 600,000 contracts qualify as Retail volume, the Originating Firm would have a retail percentage of 60% and qualifies for the B Tier discounts to be applied to the Originating Firm’s qualifying Retail Customer volume in April.

Discount Tier only. Multipliers are applied to MXEF, MXEA, RUT and XSP volume only. Specifically, Retail volume in these products are currently multiplied by the values set forth in the Fees Schedule so that any volume executed by an Originating Firm in these classes will be increased for purposes of the Discount Tier calculation, but not for purposes of calculating the Qualifying Tiers. Additionally, discounts are applied to executed volume only, not on multiplied volume. The Exchange no longer wishes to maintain multipliers in the SCORE program. As such, the Exchange proposes to amend the Fees Schedule to eliminate the multipliers for MXEF, MXEA, RUT and XSP.

The Exchange next proposes to increase the discounts in Qualifying Tiers A3-A1. Specifically, the Exchange proposes to increase Tier A3 from \$0.15 per contract to \$0.17 per contract; increase Tier A2 from \$0.19 per contract to \$0.21 per contract; and Tier A1 from \$0.23 per contract to \$0.25 per contract. The Exchange notes the proposed discount increases are designed to attract a greater number of customer orders in the Qualifying Classes. This increased volume creates greater trading opportunities that benefit all market participants by providing more trading opportunities and tighter spreads. The Exchange also believes the proposed changes continue to provide an incremental incentive for Originating Firms to strive for the highest tier level, which provides increasingly higher discounts.

(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>5</sup>

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

Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>6</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>7</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.

First, the Exchange believes the proposal to eliminate the availability of product multipliers is reasonable because it no longer wishes to offer this additional incentive for order flow in the multiplier classes and it is not required to do so. The Exchange also notes that such multipliers were only used for purposes of the Discount Tier calculation. The Exchange believes the proposed changes to Tiers A3-A1 are reasonable because it provides higher discounts for satisfying the qualifying thresholds. Further, the Exchange believes the proposed discounts are commensurate with the corresponding qualifying thresholds. As noted above, the Exchange believes SCORE continues to provide an incremental incentive for Originating Firms to strive for the highest tier level, which provides increasingly higher discounts. The proposed increased discounts are designed to encourage increased Retail volume in the Qualifying Classes, which provides increased

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<sup>6</sup> 15 U.S.C. 78f(b)(5).

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

volume and greater trading opportunities for all market participants. The Exchange believes the proposed change is equitable and not unfairly discriminatory because the qualifying volume thresholds apply to all registered Originating Firms uniformly.

**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 because the proposed changes apply to all registered Originating Firms uniformly. The Exchange believes that the proposed rule change will not cause an unnecessary burden on intermarket competition because the Qualifying Classes are products that only trade on Cboe Options. To the extent that the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

**Item 5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

The Exchange neither solicited nor received comments on the proposed rule change.

**Item 6. Extension of Time Period for Commission Action**

Not applicable.

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

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act<sup>8</sup> and Rule 19b-4(f)(2)<sup>9</sup> thereunder.

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

<sup>9</sup> 17 CFR 240.19b-4(f)(2).

(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.

**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-2019-019]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Amend the Select Customer Options Reduction Program

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 the Select Customer Options Reduction program. 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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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 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**

The Exchange proposes to amend the Select Customer Options Reduction program ("SCORE") to (i) eliminate the use of product multipliers and (ii) increase certain discounts.<sup>3</sup> By way of background, SCORE is a discount program for Retail<sup>4</sup>, Non-FLEX Customer ("C" origin 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 that sign up for the program.<sup>5</sup> The SCORE program currently utilizes two measures for participation and discounts: 1) the Qualifying Tiers, which determine whether a firm qualifies for the discounts in either Tier A or Tier

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<sup>3</sup> The proposed SCORE amendments will be effective April 1, 2019.

<sup>4</sup> For purposes of the program "Retail" orders will be defined as Customer orders 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.

<sup>5</sup> For this program, an "Originating Clearing Firm" is defined as either (a) the executing clearing Options Clearing Corporation ("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.

B and 2) the Discount Tiers, which determine the Originating Firm's applicable discount tiers and corresponding discounts.

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 (e.g., an Originating Firm's volume in March determines which Qualifying Tier applies in April).<sup>6</sup>

For the Discount Tier, an Originating Firm's Retail volume in the Qualifying Classes is divided by total Retail volume in the Qualifying Classes executed on the Exchange. Additionally, SCORE employs the use of "product multipliers" for the Discount Tier only. Multipliers are applied to MXEF, MXEA, RUT and XSP volume only. Specifically, Retail volume in these products are currently multiplied by the values set forth in the Fees Schedule so that any volume executed by an Originating Firm in these classes will be increased for purposes of the Discount Tier calculation, but not for purposes of calculating the Qualifying Tiers. Additionally, discounts are applied to executed volume only, not on multiplied volume. The Exchange no longer wishes to

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<sup>6</sup> For example, in March, if an Originating Firm executes a total of 1,000,000 Customer (C) contracts in the Qualifying Classes, of which 600,000 contracts qualify as Retail volume, the Originating Firm would have a retail percentage of 60% and qualifies for the B Tier discounts to be applied to the Originating Firm's qualifying Retail Customer volume in April.

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The Exchange next proposes to increase the discounts in Qualifying Tiers A3-A1. Specifically, the Exchange proposes to increase Tier A3 from \$0.15 per contract to \$0.17 per contract; increase Tier A2 from \$0.19 per contract to \$0.21 per contract; and Tier A1 from \$0.23 per contract to \$0.25 per contract. The Exchange notes the proposed discount increases are designed to attract a greater number of customer orders in the Qualifying Classes. This increased volume creates greater trading opportunities that benefit all market participants by providing more trading opportunities and tighter spreads. The Exchange also believes the proposed changes continue to provide an incremental incentive for Originating Firms to strive for the highest tier level, which provides increasingly higher discounts.

## 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.<sup>7</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>8</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

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

<sup>8</sup> 15 U.S.C. 78f(b)(5).

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>9</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.

First, the Exchange believes the proposal to eliminate the availability of product multipliers is reasonable because it no longer wishes to offer this additional incentive for order flow in the multiplier classes and it is not required to do so. The Exchange also notes that such multipliers were only used for purposes of the Discount Tier calculation. The Exchange believes the proposed changes to Tiers A3-A1 are reasonable because it provides higher discounts for satisfying the qualifying thresholds. Further, the Exchange believes the proposed discounts are commensurate with the corresponding qualifying thresholds. As noted above, the Exchange believes SCORE continues to provide an incremental incentive for Originating Firms to strive for the highest tier level, which provides increasingly higher discounts. The proposed increased discounts are designed to encourage increased Retail volume in the Qualifying Classes, which provides increased volume and greater trading opportunities for all market participants. The Exchange believes the proposed change is equitable and not unfairly discriminatory because the qualifying volume thresholds apply to all registered Originating Firms uniformly.

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

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<sup>9</sup> 15 U.S.C. 78f(b)(4).

of the Act because the proposed changes apply to all registered Originating Firms uniformly. The Exchange believes that the proposed rule change will not cause an unnecessary burden on intermarket competition because the Qualifying Classes are products that only trade on Cboe Options. To the extent that the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>10</sup> and paragraph (f) of Rule 19b-4<sup>11</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

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f).

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-2019-019 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-CBOE-2019-019. 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-2019-019 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>12</sup>

Secretary

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



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

**Cboe Exchange, Inc.**  
**Fees Schedule - [February 11] April 1, 2019**

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Select Customer Options Reduction ("SCORE") Program (48)								
Origin	Tier	Percentage of All Customer Retail Volume in Qualifying Classes	Origin Code	[Volume Multiplier]		Notes		
	Retail Volume Percentage in Qualifying Classes between 20.00% and 69.99%			[Symbol]	[Multiplier]			
		Qualifying Tier B						
Customer	B3	0.00% - 5.00%	C	\$0.00	[MXEA/MXEF]	[99]	The SCORE Program is for Retail, Non-FLEX Customer ("C" origin 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	[XSP]	[99]		
	A4	Above 5.00% - 37.00%		\$0.08				
	A3	Above 37.00% - 41.00%		[\$0.15] <u>\$0.17</u>	[RUT]	[2]		
	A2	Above 41.00% - 47.00%		[\$0.19] <u>\$0.21</u>				
A1	Above 47.00%	[\$0.23] <u>\$0.25</u>						

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Footnotes (Continued):	
Footnote Number	Description

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48	<p>For purposes of this Program, "Retail" volume will be defined as Customer orders ("C" origin 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 &amp; 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. [ Additionally, SCORE will use "product multipliers" for the Discount Tier only. Product multipliers will be applied to MXEF, MXEA, RUT and XSP volume only, as reflected in the table. Specifically, Retail volume in these products will be multiplied by the values indicated in the table so that any volume executed by an Originating Firm in these classes will be increased for purposes of the Discount Tier calculation, but not for purposes of calculating the Qualifying Tiers. Additionally, discounts will be applied on executed volume only, not on multiplied volume. If an Originating Firm's volume in a given month includes volume from MXEF, MXEA, RUT or XSP, an average rate will be calculated using the Discount Tiers as reflected in the table.] 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.</p>
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