

CFE Regulatory Circular RG16-021

Date: December 16, 2016
To: CFE Trading Privilege Holders and Market Data Recipients
From: Finance and Administration Department
RE: 2017 CFE Fee Changes - Updated

This circular describes changes to the Fee Schedule for CBOE Futures Exchange, LLC (CFE) that will become effective on January 1, 2017.¹

This circular updates the previous version of CFE Information Circular IC16-021 by correcting the footnote numbers referenced in the CFE Market Data Description Changes section below. All other information included in the prior version of CFE Information Circular IC16-021 remains the same.

Day Trade Fee Program Change

The Day Trade Fee Program is being revised so that the Day Trade fee will apply solely to Day Trades that occur after a monthly trading volume threshold has been reached instead of applying to all Day Trades in a product if the monthly trading volume threshold is reached. Specifically, for those transactions in a product in excess of the monthly trading volume threshold, CFE will rebate 45% of the generally applicable transaction fees that are assessed for those contract purchases and sales that qualify as Day Trades. The Day Trade Fee Program will continue to apply to CBOE Volatility Index (VX) futures and CBOE Russell 2000 Volatility Index (VU) futures, and the applicable monthly trading volume thresholds will continue to be 20,000 contracts for VX futures and 10,000 contracts for VU futures. For any questions about the Day Trade Fee Program, please contact Jennifer Fortino (fortino@cboe.com or 312-786-8151).

Trading Permit Fee Change

CFE will continue to issue two different types of trading permits (an Order Entry Trading Permit and a Quoting and Order Entry Trading Permit) and to assess an annual trading permit fee for each type of trading permit. The annual trading permit fee amount is changing for 2017. The annual trading permit fee for 2017 for each type of trading permit will be \$6,000 per year. If a trading permit is obtained during 2017, the annual trading permit fee will be assessed at the prorated amount of \$500 per month for all months remaining in 2017 and will be assessed beginning with the month in which the trading permit is obtained. Annual trading permit fees are nonrefundable, including in the event that a TPH relinquishes a trading permit during a calendar year. Please refer to CFE Regulatory Circular [RG16-020](#) for further information regarding the automatic renewal of CFE trading permits for 2017 and the process and deadline for notifying CFE of any changes to a TPH's trading permits for 2017. Questions regarding CFE trading permit fees may be directed to Richard Fuller (fuller@cboe.com or 312-786-7835).

Trading Privilege Holder Application Fee Changes

CFE is implementing separate individual and organization application fees for CFE Trading Privilege Holder (TPH) applicants that are not trading permit holders of Chicago Board Options Exchange, Incorporated (CBOE). The individual non-CBOE trading permit holder application fee will be \$500, and the organization non-CBOE trading permit holder application fee will be \$1,000.

¹ Certain of the changes are subject to regulatory review.

CFE is implementing an investigation fee of \$135 for each background investigation that is conducted of any TPH applicant; any Responsible Trader, executive officer, or authorized signatory of an applicant; and any Responsible Trader, executive officer, or authorized signatory added by an existing TPH. An investigation is generally not required for an individual that has been investigated within the past 24 months by CFE or CBOE.

Questions regarding CFE TPH application fees may be directed to Richard Fuller (fuller@cboe.com or 312-786-7835).

[CFE Foreign Communications Hub Fee Waiver Extensions](#)

CFE currently has fee waivers in place to encourage current and prospective CFE TPHs and CFE market data recipients to connect to foreign communications hubs that may be made available by a third party on behalf of CFE.

CFE will continue to waive each of the following CFE fees through June 30, 2017 for use of these foreign communications hubs for CFE trading purposes and to receive CFE market data:

- Monthly Network Access Port Fees
- TPH Application Fee and Annual TPH Permit Fee (for new TPHs)
- Monthly FIX and CMI Login Fees
- Monthly Market Data Connectivity Fee

The descriptions of these fee waivers are not changing and will be included in Footnotes 6, 7, 9, 32, and 33 of the CFE Fee Schedule. The extension of these fee waivers will become effective on January 1, 2017. Please note that these fee waivers do not apply to the CFE Foreign Communications Hub Fees listed in Section 8 of the CFE Fee Schedule.

If a TPH or prospective TPH desires to obtain trading access to CFE through a communications hub made available by a third party on behalf of CFE in a foreign location, please contact Michael Mollet (mollet@cboe.com or 312-786-7428). If a market data recipient or prospective market data recipient desires to obtain access to CFE market data through a communications hub made available by a third party on behalf of CFE in a foreign location, please contact John Tornatore (tornatore@cboe.com or 312-786-7715).

[CFE Market Data Description Changes](#)

CFE is making some clarifying changes to the descriptions regarding the Market Data Connectivity Fee and the Market Data Redistribution Fee which will be included in Footnotes 9 and 15 of the CFE Fee Schedule. The amounts of these fees are not changing. Questions regarding CFE market data fees may be directed to John Tornatore (tornatore@cboe.com or 312-786-7715).

[CFE CBOE System Connectivity Fee Changes](#)

CFE is changing the monthly CMI and FIX Login fees to \$600 per login. Questions regarding CFE CBOE System Connectivity Fees may be directed to Pete Smith (colobilling@cboe.com or 312-786-7681).

[Additional Information](#)

This circular is not intended to provide a comprehensive description of the changes to CFE's Fee Schedule that will become effective on January 1, 2017. CFE TPHs and market data recipients should refer to the updated CFE Fee Schedule that will be posted on CFE's website at the beginning of 2017 for additional detail.