# Information Circular IC13-012

**Date:** **January 29, 2013**

**To:** Trading Permit Holders
**From:** CBSX
**RE:** Changes in CBSX Fee Schedule Effective February 1, 2013

## Overview

Effective February 1, 2013, CBSX is changing its pricing for stocks trading above $1, subject to Securities and Exchange Commission (SEC) review.

The exchange proposes to amend the manner in which it determines which fee tiers apply for Maker transactions in securities priced $1 or greater. Currently, fees for such transactions are assessed depending on the amount of shares of liquidity that a Maker adds in one day, with the fee amount lowering based on a Maker adding higher levels of liquidity in one day. CBSX proposes to cease determining such rates using nominal volume thresholds. Instead, CBSX proposes to use relative thresholds by calculating a CBSX Trader's per-share Maker fees, using the Maker's percentage of total consolidated volume (calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan) ("TCV"). As such, the proposed tiers and fees are as follows:

| Execution Type | Rate |
|---|---|
| Maker (adds less than 0.08% of TCV of liquidity in one day) | $0.0018 per share |
| Maker (adds at least 0.08% but less than 0.16% of TCV of liquidity in one day) | $0.0017 per share |
| Maker (adds at least 0.16% but less than 0.24% of TCV of liquidity in one day) | $0.0016 per share |
| Maker (adds at least 0.24% but less than 0.42% of TDV of liquidity in one day) | $0.0015 per share |
| Maker (adds 0.42% or more of TCV of liquidity in one day) | $0.0014 per share |

Correspondingly, CBSX proposes to adopt the definition of "TCV" (as defined above) as Footnote 5 to Section 2 of the CBSX Fees Schedule. CBSX also proposes to amend Footnote 1 to Section 2 to account for the use of percentage of TCV to determine per-share fees for Maker transactions in securities priced $1 or greater. The proposed new Footnote 1 will read: "These rates apply to all transactions in securities priced $1 or greater made by the same market participant in any day in which such participant adds (for Makers) or removes (for Takers) the established amount of shares (or percentage of TCV, as applicable) or more of liquidity that is determined in the chart above for each tier. Market participants who share a trading acronym or MPID may aggregate their trading activity for purposes of these rates. Qualification for these rates will require that a market participant appropriately indicate his trading acronym and/or MPID in the appropriate field on the order."

The new pricing is reflected in the following updated Liquidity-Flag descriptions:
http://www.cbsx.com/transservices/maker_taker.aspx

| Simple Order Pricing Effective February 1, 2013 | | | |
|---|---|---|---|
| Stock Price | Rate-Type | Rate (per share) | Liquidity Flag |
| >$0.9999 | Maker < 0.08% Daily | 0.0018 fee | A or B or Q or V or W or E or U |
| | Maker ≥ 0.08% Daily | 0.0017 fee | A or B or Q or V or W or E or U |
| | Maker ≥ 0.16% Daily | 0.0016 fee | A or B or Q or V or W or E or U |
| | Maker ≥ 0.24% Daily | 0.0015 fee | A or B or Q or V or W or E or U |
| | Maker ≥ 0.42% Daily | 0.0014 fee | A or B or Q or V or W or E or U |
| | Silent Maker | 0.0018 fee | M |
| | Silent-Mid Maker | 0.0008 fee | Y |
| | Taker < 10,000,000 Daily and <85% Execution Rate | 0.0015 credit | R or N or F or T |
| | Taker ≥ 10,000,000 Daily and ≥85% Execution Rate | 0.0017 credit | R or N or F or T |
| | Silent Taker | 0.0014 credit | D |
| | Silent-Mid Taker | 0.0004 credit | Z |
| | Routed | 0.0030 fee | X |
| Stock Price | Rate-Type | Rate (of value) | Liquidity Flag |
| $0.9999 or less | Maker | FREE | A or B or Q or V or W or E or U or M or Y |
| | Taker | .30% fee | R or N or F or T or D or Z |
| | Routed | .30% fee | X |

Please click the following link to view the full CBSX Fee Schedule:
http://www.cboe.com/publish/cbsxfeeschedule/cbsxfeeschedule.pdf

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