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Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-CboeBYX-2019-014 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-CboeBYX-2019-014. This file number should be included on the subject line if email 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, DC 20549 on official business days between the hours of 10 a.m. and 3 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CboeBYX-2019-014, and should be submitted on or before September 19, 2019.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁷

Jill M. Peterson,
Assistant Secretary.

[FR Doc. 2019-18636 Filed 8-28-19; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release Nos. 33-10675; 34-86750/August 23, 2019]

Order Making Fiscal Year 2020 Annual Adjustments to Registration Fee Rates

I. Background

The Commission collects fees under various provisions of the securities laws. Section 6(b) of the Securities Act of 1933 ("Securities Act") requires the Commission to collect fees from issuers on the registration of securities.¹ Section 13(e) of the Securities Exchange Act of 1934 ("Exchange Act") requires the Commission to collect fees on specified repurchases of securities.² Section 14(g) of the Exchange Act requires the Commission to collect fees on specified proxy solicitations and statements in corporate control transactions.³ These provisions require the Commission to make annual adjustments to the applicable fee rates.

II. Fiscal Year 2020 Annual Adjustment to Fee Rates

Section 6(b)(2) of the Securities Act requires the Commission to make an annual adjustment to the fee rate applicable under Section 6(b).⁴ The annual adjustment to the fee rate under Section 6(b) of the Securities Act also sets the annual adjustment to the fee rates under Sections 13(e) and 14(g) of the Exchange Act.⁵

Section 6(b)(2) sets forth the method for determining the annual adjustment to the fee rate under Section 6(b) for fiscal year 2020. Specifically, the Commission must adjust the fee rate under Section 6(b) to a "rate that, when applied to the baseline estimate of the aggregate maximum offering prices for [fiscal year 2020], is reasonably likely to produce aggregate fee collections under [Section 6(b)] that are equal to the target fee collection amount for [fiscal year 2020]." That is, the adjusted rate is determined by dividing the "target fee collection amount" for fiscal year 2020 by the "baseline estimate of the aggregate maximum offering prices" for fiscal year 2020.

Section 6(b)(6)(A) specifies that the "target fee collection amount" for fiscal

year 2020 is \$705,000,000. Section 6(b)(6)(B) defines the "baseline estimate of the aggregate maximum offering prices" for fiscal year 2020 as "the baseline estimate of the aggregate maximum offering price at which securities are proposed to be offered pursuant to registration statements filed with the Commission during [fiscal year 2020] as determined by the Commission, after consultation with the Congressional Budget Office and the Office of Management and Budget. . . ."

To make the baseline estimate of the aggregate maximum offering price for fiscal year 2020, the Commission is using a methodology that has been used in prior fiscal years and that was developed in consultation with the Congressional Budget Office and Office of Management and Budget.⁶ Using this methodology, the Commission determines the "baseline estimate of the aggregate maximum offering price" for fiscal year 2020 to be \$5,429,883,452,897. Based on this estimate, the Commission calculates the fee rate for fiscal 2020 to be \$129.80 per million. This adjusted fee rate applies to Section 6(b) of the Securities Act, as well as to Sections 13(e) and 14(g) of the Exchange Act.

III. Effective Dates of the Annual Adjustments

The fiscal year 2020 annual adjustments to the fee rates applicable under Section 6(b) of the Securities Act and Sections 13(e) and 14(g) of the Exchange Act will be effective on October 1, 2019.⁷

IV. Conclusion

Accordingly, pursuant to Section 6(b) of the Securities Act and Sections 13(e) and 14(g) of the Exchange Act,⁸

It is hereby ordered that the fee rates applicable under Section 6(b) of the Securities Act and Sections 13(e) and 14(g) of the Exchange Act shall be \$129.80 per million effective on October 1, 2019.

⁶ Appendix A explains how we determined the "baseline estimate of the aggregate maximum offering price" for fiscal year 2020 using our methodology, and then shows the arithmetical process of calculating the fiscal year 2020 annual adjustment based on that estimate. The appendix includes the data used by the Commission in making its "baseline estimate of the aggregate maximum offering price" for fiscal year 2020.

⁷ 15 U.S.C. 77f(b)(4), 15 U.S.C. 78m(e)(6) and 15 U.S.C. 78n(g)(6).

⁸ 15 U.S.C. 77f(b), 78m(e) and 78n(g).

¹ 15 U.S.C. 77f(b).

² 15 U.S.C. 78m(e).

³ 15 U.S.C. 78n(g).

⁴ 15 U.S.C. 77f(b)(2). The annual adjustments are designed to adjust the fee rate in a given fiscal year so that, when applied to the aggregate maximum offering price at which securities are proposed to be offered for the fiscal year, it is reasonably likely to produce total fee collections under Section 6(b) equal to the "target fee collection amount" specified in Section 6(b)(6)(A) for that fiscal year.

⁵ 15 U.S.C. 78m(e)(4) and 15 U.S.C. 78n(g)(4).

³⁷ 17 CFR 200.30-3(a)(12).

By the Commission.
Jill M. Peterson,
Assistant Secretary.

Appendix A

Congress has established a target amount of monies to be collected from fees charged to issuers based on the value of their registrations. This appendix provides the formula for determining such fees, which the Commission adjusts annually. Congress has mandated that the Commission determine these fees based on the “aggregate maximum offering prices,” which measures the aggregate dollar amount of securities registered with the Commission over the course of the year. In order to maximize the likelihood that the amount of monies targeted by Congress will be collected, the fee rate must be set to reflect projected aggregate maximum offering prices. As a percentage, the fee rate equals the ratio of the target amounts of monies to the projected aggregate maximum offering prices.

For 2020, the Commission has estimated the aggregate maximum offering prices by projecting forward the trend established in the previous decade. More specifically, an ARIMA model was used to forecast the value of the aggregate maximum offering prices for months subsequent to July 2019, the last month for which the Commission has data on the aggregate maximum offering prices.

The following sections describe this process in detail.

A. Baseline Estimate of the Aggregate Maximum Offering Prices for Fiscal Year 2020

First, calculate the aggregate maximum offering prices (AMOP) for each month in the sample (July 2009–July 2019). Next, calculate the percentage change in the AMOP from month to month.

Model the monthly percentage change in AMOP as a first order moving average process. The moving average approach allows one to model the effect that an exceptionally high (or low) observation of AMOP tends to be followed by a more “typical” value of AMOP.

Use the estimated moving average model to forecast the monthly percent change in AMOP. These percent changes can then be applied to obtain forecasts of the total dollar value of registrations. The following is a more formal (mathematical) description of the procedure:

1. Begin with the monthly data for AMOP. The sample spans ten years, from July 2009 to July 2019.

2. Divide each month’s AMOP (column C) by the number of trading days in that month (column B) to obtain the average daily AMOP (AAMOP, column D).

3. For each month t , the natural logarithm of AAMOP is reported in column E.

4. Calculate the change in $\log(\text{AAMOP})$ from the previous month as $\Delta_t = \log(\text{AAMOP}_t) - \log(\text{AAMOP}_{t-1})$. This approximates the percentage change.

5. Estimate the first order moving average model $\Delta_t = \alpha + \beta e_{t-1} + e_t$, where e_t denotes the forecast error for month t . The forecast error is simply the difference between the one-month ahead forecast and the actual realization of Δ_t . The forecast error is

expressed as $e_t = \Delta_t - \alpha - \beta e_{t-1}$. The model can be estimated using standard commercially available software. Using least squares, the estimated parameter values are $\alpha = 0.00585851$ and $\beta = 0.88811274$.

6. For the month of August 2019 forecast $\Delta_t = 8/2019 = \alpha + \beta e_{t-1} = 7/2019$. For all subsequent months, forecast $\Delta_t = \alpha$.

7. Calculate forecasts of $\log(\text{AAMOP})$. For example, the forecast of $\log(\text{AAMOP})$ for October 2019 is given by $\text{FLAAMOP}_t = 10/2019 = \log(\text{AAMOP}_t = 7/2019) + \Delta_t = 8/2019 + \Delta_t = 9/2019 + \Delta_t = 10/2019$.

8. Under the assumption that e_t is normally distributed, the n -step ahead forecast of AAMOP is given by $\exp(\text{FLAAMOP}_t + \sigma_n^2/2)$, where σ_n denotes the standard error of the n -step ahead forecast.

9. For October 2019, this gives a forecast AAMOP of \$20.703 billion (Column I), and a forecast AMOP of \$476.161 billion (Column J).

10. Iterate this process through September 2020 to obtain a baseline estimate of the aggregate maximum offering prices for fiscal year 2020 of \$5,429,883,452,897.

B. Using the Forecasts From A To Calculate the New Fee Rate

1. Using the data from Table A, estimate the aggregate maximum offering prices between 10/01/19 and 9/30/20 to be \$5,429,883,452,897.

2. The rate necessary to collect the target \$705,000,000 in fee revenues set by Congress is then calculated as: $\$705,000,000 \div \$5,429,883,452,897 = 0.000129837$.

3. Round the result to the seventh decimal point, yielding a rate of 0.0001298 (or \$129.80 per million).

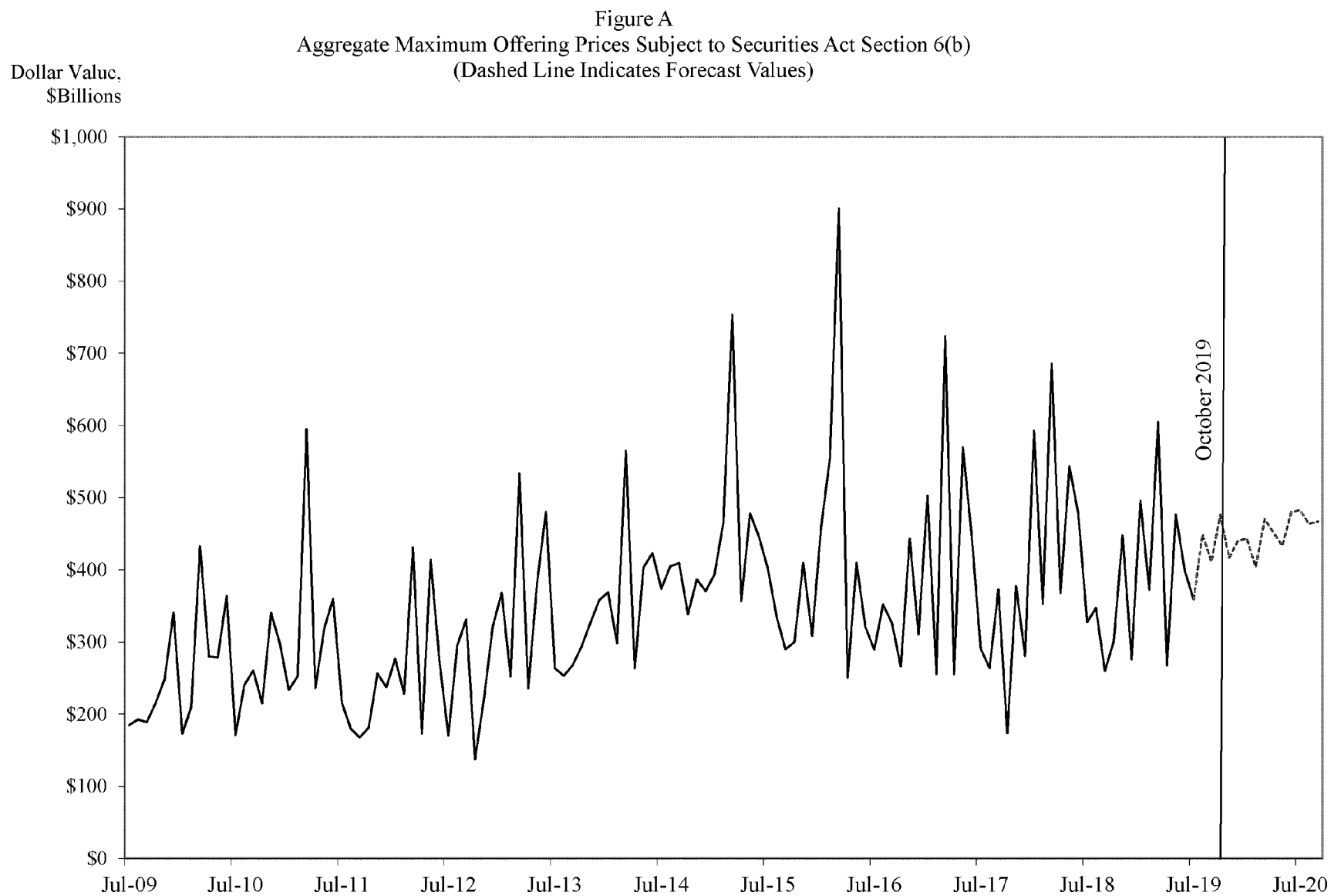
TABLE A—ESTIMATION OF BASELINE OF AGGREGATE MAXIMUM OFFERING PRICES
 [Fee rate calculation]

a. Baseline estimate of the aggregate maximum offering prices, 10/01/19 to 09/30/20 (\$Millions)	5,429,883
b. Implied fee rate (\$705 Million/a)	\$129.80

Month	Number of trading days in month	Aggregate maximum offering prices, in \$millions	Average daily aggregate max. offering prices (AAMOP) in \$millions	$\log(\text{AAMOP})$	$\log(\text{change in AAMOP})$	Forecast $\log(\text{AAMOP})$	Standard error	Forecast AAMOP, in \$millions	Forecast aggregate maximum offering prices, in \$millions
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Jul-09	22	185,187	8,418	22.854	.....	.....	.....	.....	.....
Aug-09	21	192,726	9,177	22.940	0.086	.....	.....	.....	.....
Sep-09	21	189,224	9,011	22.922	-0.018	.....	.....	.....	.....
Oct-09	22	215,720	9,805	23.006	0.085	.....	.....	.....	.....
Nov-09	20	248,353	12,418	23.242	0.236	.....	.....	.....	.....
Dec-09	22	340,464	15,476	23.463	0.220	.....	.....	.....	.....
Jan-10	19	173,235	9,118	22.933	-0.529	.....	.....	.....	.....
Feb-10	19	209,963	11,051	23.126	0.192	.....	.....	.....	.....
Mar-10	23	432,934	18,823	23.658	0.533	.....	.....	.....	.....
Apr-10	21	280,188	13,342	23.314	-0.344	.....	.....	.....	.....
May-10	20	278,611	13,931	23.357	0.043	.....	.....	.....	.....
Jun-10	22	364,251	16,557	23.530	0.173	.....	.....	.....	.....
Jul-10	21	171,191	8,152	22.822	-0.709	.....	.....	.....	.....
Aug-10	22	240,793	10,945	23.116	0.295	.....	.....	.....	.....
Sep-10	21	260,783	12,418	23.242	0.126	.....	.....	.....	.....
Oct-10	21	214,988	10,238	23.049	-0.193	.....	.....	.....	.....
Nov-10	21	340,112	16,196	23.508	0.459	.....	.....	.....	.....
Dec-10	22	297,992	13,545	23.329	-0.179	.....	.....	.....	.....
Jan-11	20	233,668	11,683	23.181	-0.148	.....	.....	.....	.....
Feb-11	19	252,785	13,304	23.311	0.130	.....	.....	.....	.....
Mar-11	23	595,198	25,878	23.977	0.665	.....	.....	.....	.....

Month	Number of trading days in month	Aggregate maximum offering prices, in \$millions	Average daily aggregate max. offering prices (AAMOP) in \$millions	log(AAMOP)	Log (change in AAMOP)	Forecast log(AAMOP)	Standard error	Forecast AAMOP, in \$millions	Forecast aggregate maximum offering prices, in \$millions
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Apr-11	20	236,355	11,818	23.193	-0.784				
May-11	21	319,053	15,193	23.444	0.251				
Jun-11	22	359,727	16,351	23.518	0.073				
Jul-11	20	215,391	10,770	23.100	-0.418				
Aug-11	23	179,870	7,820	22.780	-0.320				
Sep-11	21	168,005	8,000	22.803	0.023				
Oct-11	21	181,452	8,641	22.880	0.077				
Nov-11	21	256,418	12,210	23.226	0.346				
Dec-11	21	237,652	11,317	23.150	-0.076				
Jan-12	20	276,965	13,848	23.351	0.202				
Feb-12	20	228,419	11,421	23.159	-0.193				
Mar-12	22	430,806	19,582	23.698	0.539				
Apr-12	20	173,626	8,681	22.884	-0.813				
May-12	22	414,122	18,824	23.658	0.774				
Jun-12	21	272,218	12,963	23.285	-0.373				
Jul-12	21	170,462	8,117	22.817	-0.468				
Aug-12	23	295,472	12,847	23.276	0.459				
Sep-12	19	331,295	17,437	23.582	0.305				
Oct-12	21	137,562	6,551	22.603	-0.979				
Nov-12	21	221,521	10,549	23.079	0.476				
Dec-12	20	321,602	16,080	23.501	0.422				
Jan-13	21	368,488	17,547	23.588	0.087				
Feb-13	19	252,148	13,271	23.309	-0.279				
Mar-13	20	533,440	26,672	24.007	0.698				
Apr-13	22	235,779	10,717	23.095	-0.912				
May-13	22	382,950	17,407	23.580	0.485				
Jun-13	20	480,624	24,031	23.903	0.322				
Jul-13	22	263,869	11,994	23.208	-0.695				
Aug-13	22	253,305	11,514	23.167	-0.041				
Sep-13	20	267,923	13,396	23.318	0.151				
Oct-13	23	293,847	12,776	23.271	-0.047				
Nov-13	20	326,257	16,313	23.515	0.244				
Dec-13	21	358,169	17,056	23.560	0.045				
Jan-14	21	369,067	17,575	23.590	0.030				
Feb-14	19	298,376	15,704	23.477	-0.113				
Mar-14	21	564,840	26,897	24.015	0.538				
Apr-14	21	263,401	12,543	23.252	-0.763				
May-14	21	403,700	19,224	23.679	0.427				
Jun-14	21	423,075	20,146	23.726	0.047				
Jul-14	22	373,811	16,991	23.556	-0.170				
Aug-14	21	405,017	19,287	23.683	0.127				
Sep-14	21	409,349	19,493	23.693	0.011				
Oct-14	23	338,832	14,732	23.413	-0.280				
Nov-14	19	386,898	20,363	23.737	0.324				
Dec-14	22	370,760	16,853	23.548	-0.189				
Jan-15	20	394,127	19,706	23.704	0.156				
Feb-15	19	466,138	24,534	23.923	0.219				
Mar-15	22	753,747	34,261	24.257	0.334				
Apr-15	21	356,560	16,979	23.555	-0.702				
May-15	20	478,591	23,930	23.898	0.343				
Jun-15	22	446,102	20,277	23.733	-0.166				
Jul-15	22	402,062	18,276	23.629	-0.104				
Aug-15	21	334,746	15,940	23.492	-0.137				
Sep-15	21	289,872	13,803	23.348	-0.144				
Oct-15	22	300,276	13,649	23.337	-0.011				
Nov-15	20	409,690	20,485	23.743	0.406				
Dec-15	22	308,569	14,026	23.364	-0.379				
Jan-16	19	457,411	24,074	23.904	0.540				
Feb-16	20	554,343	27,717	24.045	0.141				
Mar-16	22	900,301	40,923	24.435	0.390				
Apr-16	21	250,716	11,939	23.203	-1.232				
May-16	21	409,992	19,523	23.695	0.492				
Jun-16	22	321,219	14,601	23.404	-0.291				
Jul-16	20	289,671	14,484	23.396	-0.008				
Aug-16	23	352,068	15,307	23.452	0.055				
Sep-16	21	326,116	15,529	23.466	0.014				
Oct-16	21	266,115	12,672	23.263	-0.203				
Nov-16	21	443,034	21,097	23.772	0.510				
Dec-16	21	310,614	14,791	23.417	-0.355				
Jan-17	20	503,030	25,152	23.948	0.531				
Feb-17	19	255,815	13,464	23.323	-0.625				
Mar-17	23	723,870	31,473	24.172	0.849				
Apr-17	19	255,275	13,436	23.321	-0.851				
May-17	22	569,965	25,908	23.978	0.657				
Jun-17	22	445,081	20,231	23.730	-0.247				

Month	Number of trading days in month	Aggregate maximum offering prices, in \$millions	Average daily aggregate max. offering prices (AAMOP) in \$millions	log(AAMOP)	Log (change in AAMOP)	Forecast log(AAMOP)	Standard error	Forecast AAMOP, in \$millions	Forecast aggregate maximum offering prices, in \$millions
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Jul-17	20	291,167	14,558	23.401	-0.329	.....	.....	.....	.....
Aug-17	23	263,981	11,477	23.164	-0.238	.....	.....	.....	.....
Sep-17	20	372,705	18,635	23.648	0.485	.....	.....	.....	.....
Oct-17	22	173,749	7,898	22.790	-0.858	.....	.....	.....	.....
Nov-17	21	377,262	17,965	23.612	0.822	.....	.....	.....	.....
Dec-17	20	281,126	14,056	23.366	-0.245	.....	.....	.....	.....
Jan-18	21	593,025	28,239	24.064	0.698	.....	.....	.....	.....
Feb-18	19	353,182	18,589	23.646	-0.418	.....	.....	.....	.....
Mar-18	21	685,784	32,656	24.209	0.563	.....	.....	.....	.....
Apr-18	21	367,569	17,503	23.586	-0.624	.....	.....	.....	.....
May-18	22	543,840	24,720	23.931	0.345	.....	.....	.....	.....
Jun-18	21	477,967	22,760	23.848	-0.083	.....	.....	.....	.....
Jul-18	21	327,710	15,605	23.471	-0.377	.....	.....	.....	.....
Aug-18	23	347,239	15,097	23.438	-0.033	.....	.....	.....	.....
Sep-18	19	259,874	13,678	23.339	-0.099	.....	.....	.....	.....
Oct-18	23	300,814	13,079	23.294	-0.045	.....	.....	.....	.....
Nov-18	21	447,767	21,322	23.783	0.489	.....	.....	.....	.....
Dec-18	19	276,130	14,533	23.400	-0.383	.....	.....	.....	.....
Jan-19	21	495,624	23,601	23.885	0.485	.....	.....	.....	.....
Feb-19	19	372,166	19,588	23.698	-0.186	.....	.....	.....	.....
Mar-19	21	604,813	28,801	24.084	0.385	.....	.....	.....	.....
Apr-19	21	267,737	12,749	23.269	-0.815	.....	.....	.....	.....
May-19	22	476,892	21,677	23.800	0.531	.....	.....	.....	.....
Jun-19	20	399,178	19,959	23.717	-0.083	.....	.....	.....	.....
Jul-19	22	359,438	16,338	23.517	-0.200	.....	.....	.....	.....
Aug-19	22	.....	.....	.....	.....	23.689	0.320	20,435	449,575
Sep-19	20	.....	.....	.....	.....	23.695	0.322	20,568	411,370
Oct-19	23	.....	.....	.....	.....	23.701	0.324	20,703	476,161
Nov-19	20	.....	.....	.....	.....	23.707	0.326	20,838	416,753
Dec-19	21	.....	.....	.....	.....	23.713	0.328	20,974	440,445
Jan-20	21	.....	.....	.....	.....	23.719	0.330	21,110	443,317
Feb-20	19	.....	.....	.....	.....	23.724	0.332	21,248	403,713
Mar-20	22	.....	.....	.....	.....	23.730	0.334	21,387	470,505
Apr-20	21	.....	.....	.....	.....	23.736	0.336	21,526	452,048
May-20	20	.....	.....	.....	.....	23.742	0.338	21,666	433,330
Jun-20	22	.....	.....	.....	.....	23.748	0.340	21,808	479,772
Jul-20	22	.....	.....	.....	.....	23.754	0.342	21,950	482,901
Aug-20	21	.....	.....	.....	.....	23.760	0.344	22,093	463,957
Sep-20	21	.....	.....	.....	.....	23.765	0.345	22,237	466,983



[FR Doc. 2019-18618 Filed 8-28-19; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-86743; File No. SR-CboeEDGX-2019-052]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating To Amend the Fee Schedule Applicable to Members and Non-Members of the Exchange Pursuant to EDGX Rules 15.1(a) and (c)

August 23, 2019.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 16, 2019, Cboe EDGX Exchange, Inc. (the “Exchange” or “EDGX”) filed with the Securities and Exchange Commission (“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 EDGX Exchange, Inc. (the “Exchange” or “EDGX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the fee schedule applicable to Members and non-Members³ of the Exchange pursuant to EDGX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing. The text of the proposed rule change is attached [sic] as Exhibit 5.

The text of the proposed rule change is also available on the Exchange’s website (http://markets.cboe.com/us/options/regulation/rule_filings/edgx/), 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 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 its fee schedule applicable to its options trading platform (“EDGX Options”) to adopt a fee for the equity leg of a stock-option order, which orders would yield fee code “EQ”, effective August 16, 2019.

The Exchange first notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of 16 options venues to which market participants may direct their order flow. Based on publicly available information, no single options exchange has more than 20% of the market share.⁴ Thus, in such a low-concentrated and highly competitive market, no single options exchange possesses significant pricing power in the execution of option order flow. The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can shift order flow, or discontinue to reduce use of certain categories of products, in response to fee changes. Accordingly, competitive forces constrain the Exchange’s transaction fees, and market participants can readily trade on competing venues if they deem pricing levels at those other venues to be more favorable. In response to competitive pricing, the Exchange, like other options exchanges, offers rebates and assesses fees for certain order types executed on or routed through the Exchange.

Pursuant to rule filing SR-2019-CboeEDGX-039,⁵ the Exchange will

implement stock-option order functionality on August 16, 2019. Stock-option orders are complex instruments that constitute the purchase or sale of a stated number of units of an underlying stock or a security convertible into the underlying stock coupled with the purchase or sale of an option contract(s) on the opposite side of the market and execute in the same manner as complex orders. Through this new functionality, the stock portions of stock-option strategy orders will be electronically communicated by the Exchange to a designated broker-dealer, who will then manage the execution of such stock portions. In connection with the new functionality, the Exchange proposes to adopt a stock handling fee of \$0.0010 per share for the processing and routing by the Exchange of the stock portion of stock-option strategy orders executed through those mechanisms. The purpose of the proposed stock handling fee is to cover the fees charges by the outside venue that prints the trade, as well as assist in covering the Exchange’s costs in matching these stock-option orders against other stock option orders on the complex book. Additionally, the Exchange will also largely pass through to Members the fees assessed to the Exchange by the designated broker that will be managing the execution of these stock portions of stock-option strategy orders. The Exchange notes that other exchanges have likewise implemented fees for stock portions of stock-option strategy order in response to their respective implementations of stock-option strategy order functionality.⁶ Moreover, the proposed fee is identical to fees assessed by other options exchanges, including that of its affiliated exchange, Cboe Options, for stock legs executed as a part of stock-option strategy orders.⁷

Cross (“QCC”) Order With Stock Functionality, and To Make Other Changes to its Rules) (SR-CboeEDGX-2019-039).

⁶ See Securities Exchange Act Release No. 85909 (May 21, 2019), 84 FR 24587 (May 28, 2019) (SR-EMERALD-2019-21); Securities Exchange Act Release No. 83788 (August 7, 2018), 83 FR 40110 (August 13, 2018) (SR-MIAX-2018-18); and Securities Exchange Act Release No. 67383 (July 10, 2012), 77 FR 41841 (July 16, 2012) (SR-CBOE-2012-063).

⁷ See NASDAQ ISE Options Pricing Schedule, Section 4.12; NASDAQ MRX Options Pricing Schedule, Section 4(1); MIAX Emerald Fee Schedule, Section 1(a)(vi); MIAX Options Fee Schedule, Section 1(a)(x); and Cboe Options Fees Schedule, Stock Portion of Stock-Option Strategy Orders (each exchange charges the same fee of \$0.0010 per share and capped at \$50 per order). The Exchange notes that at this time it does not have the functionality available to impose a cap per order. The Exchange intends to have this functionality in place by Quarter 1 of 2020. The Exchange also does not believe that the absence of a cap prior to this timeframe will impact market

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Member is defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

⁴ See Cboe Global Markets U.S. Options Market Volume Summary (August 15, 2019), available at https://markets.cboe.com/us/options/market_statistics/.

⁵ See Securities Exchange Act Release No. 86353 (July 11, 2019), 84 FR 34230 (July 17, 2019) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Add Stock-Option Order Functionality and Complex Qualified Contingent