

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="13"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2011"/> - * <input type="text" value="16"/>	Amendment No. (req. for Amendments *) <input type="text"/>
---	--	--	--

Proposed Rule Change by   
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"/>
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="text"/> Date Expires * <input type="text"/>			Rule		
			<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)	

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

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

**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 proposed rule change.

First Name * <input type="text" value="James"/>	Last Name * <input type="text" value="Ongena"/>
Title * <input type="text" value="Associate General Counsel"/>	
E-mail * <input type="text" value="jongena@chx.com"/>	
Telephone * <input type="text" value="(312) 663-2937"/>	Fax <input type="text" value="(312) 663-2231"/>

**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 officer.

Date   
By  Associate General Counsel  
(Name \*) (Title \*)

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 (required)**

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 (required)**

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

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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.

**Form 19b-4 Information**1. Text of Proposed Rule Change

(a) The Chicago Stock Exchange, Incorporated (the “CHX” or the “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> proposes to amend its Schedule of Participant Fees and Assessments (the “Fee Schedule”), effective July 1, 2011, to alter its schedule of fees for Participants relating to its SRO, Off-Exchange trader and DEA fees.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed change is set out below. New text is underlined and deletions are [bracketed].

**FEES AND ASSESSMENTS**

\* \* \*

**A. Unchanged****B. SRO Fee**

*Effective [June 1, 2010] July 1, 2011:*

~~[\$500]~~600/Participant Firm/month

**C. Registration Fees**

*Effective July 1, 2011:*

New Participant Firm registration      \$200

---

<sup>1</sup> 15 U.S.C. 78s(b)(1)

<sup>2</sup> 17 CFR 240.19b-4

Change in business form	\$200	
Off-Exchange traders	<u>No fee for the first two traders.</u> \$500 annual fee for each trader thereafter who is engaged in proprietary securities trading, for an off-Exchange Participant Firm that is solely involved in proprietary securities trading and for which the CHX is DEA. This fee will be pro-rated in the first year of a trader's registration, based on the quarter in which that registration occurs. <u>Annual trader fee cap of \$70,000 per firm.</u>	
Processing Fees	Fingerprints	\$35
	Background checks	\$35
	Badge for access to CHX Facilities	\$15

\* \* \*

**J. Market Regulation and Market Surveillance Fees**

*Effective [June 1, 2010] July 1, 2011*

- 1.- 3. Unchanged
- 4. DEA Examination Fees      \$[800]1,000/Participant Firm/month
- 5. Unchanged

\* \* \*

(b) Not applicable.

(c) Not applicable.

2. Procedures of Self-Regulatory Organization

This change to the Fee Schedule was approved on May 20, 2011.

3. Self-Regulatory Organization's Statement on the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

Through this filing, the Exchange proposes to amend its Schedule of Participant Fees and Assessments (the “Fee Schedule”), effective July 1, 2011, to amend its existing SRO, Off-Exchange trader and DEA fees. These fee changes are being proposed in response to the increased importance and expense of the Exchange’s regulatory efforts and competitive pricing pressures.

The Exchange proposes to increase both its SRO and DEA fees to reflect increased current and planned expenses related to the Exchange’s regulatory responsibilities. Currently, the Exchange’s SRO fee is \$500 per month for each Participant firm and its DEA fee is \$800 per month for each firm for which the Exchange is its DEA. Through this filing, the Exchange proposes increasing the SRO fee to \$600 per month for each Participant firm and the DEA fee to \$1,000 per month.

Additionally, the Exchange currently charges each off-Exchange Participant firm, that is solely involved in proprietary securities trading and for which the CHX is DEA, a \$500 annual fee for each trader. Through this filing, the Exchange proposes to amend its Fee Schedule to allow off-Exchange Participant firms to register two traders at no charge while capping the total annual trader fees payable by each off-Exchange Participant firm at \$70,000. The Exchange is proposing this amendment to lower total registration fees for off-Exchange traders to respond to competitive pressures. The Exchange believes that these changes will further encourage firms of all sizes to utilize its facilities and services.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>3</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>4</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. Among other things, these changes to the fee schedule would equitably allocate fees among Participants by increasing fees overall to reflect higher regulatory costs among all Participants as well as allocating the increased costs associated with the Exchange's DEA service among those Participants which utilize the service. In addition, the proposed changes to the Off-Exchange trader registration fee will allow the Exchange to respond to competitive pressures by lowering trader fees for all off-Exchange proprietary trading firms for which CHX is DEA while encouraging firms of all sizes to utilize the Exchange's facilities and services.

4. Self-Regulatory Organization's Statement of 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.

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

No written comments were solicited or received.

---

<sup>3</sup> 15 U.S.C. 78f.

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

6. Extension of the Time Period for Commission Action

Not applicable.

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

The proposed rule change is to take effect pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>5</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder<sup>6</sup> because it establishes or changes a due, fee or other charge applicable to the Exchange's members and non-members, which renders the proposed rule change effective upon filing.

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.

8. Proposed Rule Change Based on Rule of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Exhibits

Exhibit 1: The completed notice of the proposed rule change for publication in the Federal Register.

Exhibits 2-5: Not applicable.

---

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A)(ii)

<sup>6</sup> 17 CFR 240.19b-4(f)(2)

## EXHIBIT 1

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-\_\_\_\_; File No. SR-CHX-2011-16]  
SELF-REGULATORY ORGANIZATIONS

**Proposed Change by Chicago Stock Exchange, Inc. to Alter its Fee Schedule to Increase its SRO, DEA and Off-Exchange Trader Fees.**

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 30, 2011, the Chicago Stock Exchange, Inc. (“CHX” or “Exchange”) 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. CHX has filed the proposal pursuant to Section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> which renders the proposal effective upon filing with the Commission. 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

The CHX proposes to amend its Schedule of Participant Fees and Assessments (the “Fee Schedule”), effective July 1, 2011, to alter its schedule of fees for Participants relating to its SRO, Off-Exchange trader and DEA fees. The text of this proposed rule change is available on the Exchange’s website at

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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

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

[http://www.chx.com/rules/proposed\\_rules.htm](http://www.chx.com/rules/proposed_rules.htm) and in the Commission's Public Reference Room, 100 F Street, N.E., Washington, DC 20549.

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 CHX included statements concerning the purpose of and basis for the proposed rule changes and discussed any comments it received regarding the proposal. The text of these statements may be examined at the places specified in Item IV below. The CHX 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 Changes

1. Purpose

Through this filing, the Exchange proposes to amend its Schedule of Participant Fees and Assessments (the "Fee Schedule"), effective July 1, 2011, to amend its existing SRO, Off-Exchange trader and DEA fees. These fee changes are being proposed in response to the increased importance and expense of the Exchange's regulatory efforts and competitive pricing pressures.

The Exchange proposes to increase both its SRO and DEA fees to reflect increased current and planned expenses related to the Exchange's regulatory responsibilities. Currently, the Exchange's SRO fee is \$500 per month for each Participant firm and its DEA fee is \$800 per month for each firm for which the Exchange is its DEA. Through this filing, the Exchange proposes increasing the SRO fee to \$600 per month for each Participant firm and the DEA fee to \$1,000 per month.

Additionally, the Exchange currently charges each off-Exchange Participant firm, that is solely involved in proprietary securities trading and for which the CHX is DEA, a \$500 annual fee for each trader. Through this filing, the Exchange proposes to amend its Fee Schedule to allow off-Exchange Participant firms to register two traders at no charge while capping the total annual trader fees payable by each off-Exchange Participant firm at \$70,000. The Exchange is proposing this amendment to lower total registration fees for off-Exchange traders to respond to competitive pressures. The Exchange believes that these changes will further encourage firms of all sizes to utilize its facilities and services.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>5</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>6</sup> in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. Among other things, these changes to the fee schedule would equitably allocate fees among Participants by increasing fees overall to reflect higher regulatory costs among all Participants as well as allocating the increased costs associated with the Exchange's DEA service among those Participants which utilize the service. In addition, the proposed changes to the Off-Exchange trader registration fee will allow the Exchange to respond to competitive pressures by lowering trader fees for

---

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

<sup>6</sup> 15 U.S.C. 78f(b)(4)

all off-Exchange proprietary trading firms for which CHX is DEA while encouraging firms of all sizes to utilize the Exchange's facilities and services.

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 of the Act.

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

No written comments were solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>7</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder<sup>8</sup> because it establishes or changes a due, fee or other charge applicable to the Exchange's members and non-members, which renders the proposed rule change effective upon filing.

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.

IV. Solicitation of Comments

---

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A)(ii)

<sup>8</sup> 17 CFR 240.19b-4(f)(2)

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposal is consistent with 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 No. SR-CHX-2011-16 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090.

All submissions should refer to File No. SR-CHX-2011-16. 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 Web site (<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 changes 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 inspection and copying in the Commission's Public Reference Room, 100 F Street, N.E., Washington, DC 20549. Copies of such filing will also be available for inspection and

copying at the principal office of the CHX. 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 No. SR-CHX-2011-16 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>9</sup>

Elizabeth M. Murphy  
Secretary

---

<sup>9</sup> 17 CFR 200.30-3(a)(12).