

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 22

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4

File No.\* SR - 2012 - \* 01

Amendment No. (req. for Amendments \*)

Proposed Rule Change by Chicago Stock Exchange

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"/>
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## 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)

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document

**Description**

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

Change to amend Fee Schedule to assess fees for derivative securities products

**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 *	David	Last Name *	Whitcomb
Title *	General Counsel		
E-mail *	dwhitcomb@chx.com		
Telephone *	(312) 663-2628	Fax	(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 01/06/2012

By James Ongena  
(Name \*)Associate General Counsel  
(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.

INVALID

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)**

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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)**

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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 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.

### **Form 19b-4 Information**

1. Text of Proposed Rule Change

(a) The Chicago Stock Exchange, Incorporated (“CHX” or “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 Fees and Assessments (the “Fee Schedule”), effective January 9, 2012, to create a separate fee and rebate structure for Derivative Securities Products and to remove certain references to Tape A, B and C securities throughout the Fee Schedule.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5 and is available on the Exchange’s website at [www.chx.com](http://www.chx.com), at the Exchange’s principal office, and at the Public Reference Room of the Securities and Exchange Commission (“Commission”).

(b) Not applicable.

(c) Not applicable.

2. Procedures of Self-Regulatory Organization

This proposal was approved by the Exchange’s Board of Directors on December 15, 2011.

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

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

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

(a) Purpose

Through this filing, the Exchange proposes to amend its Schedule of Fees and Assessments (the “Fee Schedule”), effective January 9, 2012, to create a separate fee and rebate structure for Derivative Securities Products<sup>3</sup> and to remove references to Tape A, B and C securities throughout our Fee Schedule.

Pursuant to this proposal, the Exchange would eliminate the distinction in the fee and rebate structure for Tape A, B and C securities and replace it with a structure based on Derivative Securities Products.<sup>4</sup> Currently, the Exchange offers a provide credit of \$0.0022/share under Section E.1. of the Fee Schedule only for transactions in Tape B securities.<sup>5</sup> Many, but not all, Tape B securities are Derivative Securities Products and some Tape A and C securities are Derivative Securities Products. For securities priced \$1/share or more and which are executed in the Regular Trading Session, the Exchange seeks to eliminate the payment of provide credits pursuant to Section E.1. of the Fee Schedule for all non-Derivative Securities Products priced \$1/share or more and simultaneously extend the provide credit to transactions in Derivative Securities Products priced \$1/share or more. Thus, some Tape B securities which are not Derivative Securities Products would no longer be eligible for a provide credit in the Regular

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<sup>3</sup> “Derivative Securities Product” is defined under Rule 19b-4(e) as any type of option, warrant, hybrid securities product or any other security, other than a single equity option or a security futures product, whose value is based, in whole or in part, upon the performance of, or interest in, an underlying instrument. *See*, 17 CFR 240.19b-4(e).

<sup>4</sup> Tape A securities are those equity securities for which the New York Stock Exchange, Inc. is the primary listing market. Tape C securities are those issues for which the Nasdaq Stock Exchange, Inc. is the primary listing center. Tape B securities are those issues for which some other national securities exchange is the primary listing market.

<sup>5</sup> Among other things, the Exchange proposes to correct a typographical error in its Fee Schedule to clarify that the provide credit paid pursuant to Section E.1. for issues priced \$1/share or more is \$.00022 *per share*.

Trading Session and certain Derivative Securities Products which are Tape A and C securities would be eligible for a provide credit. As a category, Derivative Securities Products are heavily traded in the National Market System. By this proposal, the Exchange seeks to pay a provide credit for transactions in such securities in order to incent additional order flow in these issues to the Exchange.

Pursuant to the Exchange's proposed new fee and rebate structure, Participants would be charged a fee of \$0.003/share to take liquidity and given a rebate of \$0.0022/share for providing liquidity in the Regular Trading Session for securities priced \$1.00/share or more which are Derivative Securities Products. For transactions in non-Derivative Securities Products priced \$1/share or more which were executed in the Regular Trading Session, the Exchange proposes to charge a fee of \$0.003/share to take liquidity while giving no rebate for providing liquidity. A liquidity removal fee of \$0.003/share and a provide credit of \$0.0022/share would be assessed for transactions in securities priced \$1/share or more in the Exchange's Early and Late Trading Sessions. Participants would be assessed a liquidity removal fee of 0.30% of trade value and given a provide credit of \$0.00009/share in all issues priced less than \$1/share in all trading sessions.

The Exchange proposes similar changes to the fee and rebate structure for single-sided orders executed in the Matching System which were submitted through an Exchange-registered Institutional Broker. These changes in essence substitute the term "Derivatives Securities Products" for "Tape B securities" within the applicable section of the Exchange's Fee Schedule (Section E.1.). Thus, a provide credit of \$0.0022/share in transactions involving Derivatives Securities products executed in the Regular Trading

Session would be paid to the Institutional Broker representing the Participant which originated the order.<sup>6</sup> The Exchange proposes to replace references to “Tape A, B and C” securities with an all-inclusive reference to “any” or “all” securities in the text governing the provide credit paid to Institutional Brokers for transactions in the Early and Late Trading Sessions and in securities priced under \$1/share in any trading session.

The Exchange proposes to add the definition of a Derivative Securities Product, taken from Rule 19b-4(e) of the Exchange Act, to the Fee Schedule for purposes of clarity.<sup>7</sup> The Exchange also proposes to replace all references in Section E. of the Fee Schedule to the term “issue” with that to “securities,” which is a more accurate and well-defined term.<sup>8</sup> The Exchange proposes to remove all other references in various sections of the Fee Schedule to Tape A, B and C securities, since those categories would no longer be relevant in assessing fees to CHX Participants. Finally, the Exchange proposes to replace the references to Exchange Traded Funds (“ETFs”), Exchange Traded Notes (“ETNs”) or Exchange Traded Vehicles (“ETVs”) in Section E.8. (Order Cancellation Fee (Regular Trading Session only)) with a reference to Derivative Securities Products.<sup>9</sup> The Exchange believes that these references are functionally equivalent as applied to trading on the Exchange and use of a common term throughout the Fee Schedule should provide additional clarity to Exchange Participants.

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<sup>6</sup> Currently, the same amount is paid to the Institutional Broker for transactions in Tape B securities.

<sup>7</sup> 17 CFR 240.19b-4(e).

<sup>8</sup> The Exchange also proposes to replace the references to the term “issue” in Section I (Listing Fees) to the different types of securities “listed on the Exchange” in order to be consistent.

<sup>9</sup> The Exchange also proposes to delete the reference to the effective date of the Cancellation Fees, since that date is now a number of months in the past.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>10</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>11</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. Because the proposed structure will apply to all single sided orders executed in the CHX Matching System, with the limited exception of take fees for Institutional Brokers, which have their own, previously approved, fee structure, the Exchange believes the proposed fee and rebate structure will equitably allocate the same reasonable rebate rates among Participants in a non-discriminatory nature. Furthermore, because quoting and trading activity is different among certain categories of securities, such as Derivative Securities Products, the Exchange believes that it is fair and reasonable to create different fee and rebate structures for Derivative Securities Products and all other securities in order to better incent activity by Participants on the Exchange's trading facilities in those particular categories.

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.

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<sup>10</sup> 15 U.S.C. 78f.

<sup>11</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>12</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder<sup>13</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.

As more fully discussed above, the Exchange believes that the proposed changes represent a fair and reasonable structure designed to create different fee and rebate amounts to incent activity among all Participants within the Exchange's trading facilities.

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 2-4: Not applicable.

Exhibit 5: Text of the Proposed Rule Change.

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<sup>12</sup> 15 U.S.C. 78s(b)(3)(A)(ii)

<sup>13</sup> 17 CFR 240.19b-4(f)(2)

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-\_\_\_\_; File No. SR-CHX-2012-01)  
SELF-REGULATORY ORGANIZATIONS

Notice of Filing of the Chicago Stock Exchange, Inc. to Amend its Fee Schedule to Assess Fees for Derivative Securities Products

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup>, and Rule 19b-4<sup>2</sup> thereunder, notice is hereby given that on January 6, 2012, the Chicago Stock Exchange, Inc. (“CHX” or the “Exchange”) 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 CHX. 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

CHX proposes to amend its Fee Schedule, effective January 9, 2012, to create a separate fee and rebate structure for Derivative Securities Products and to remove certain references to Tape A, B and C securities throughout the Fee Schedule.

The text of this proposed rule change is available on the Exchange’s Web site at

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<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).

[www.chx.com](http://www.chx.com)) and in 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 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 Fees and Assessments (the "Fee Schedule"), effective January 9, 2012, to create a separate fee and rebate structure for Derivative Securities Products<sup>5</sup> and to remove references to Tape A, B and C securities throughout our Fee Schedule.

Pursuant to this proposal, the Exchange would eliminate the distinction in the fee and rebate structure for Tape A, B and C securities and replace it with a structure based on Derivative Securities Products.<sup>6</sup> Currently, the Exchange offers a provide credit of \$0.0022/share under Section E.1. of the Fee Schedule only for transactions in Tape B

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<sup>5</sup> "Derivative Securities Product" is defined under Rule 19b-4(e) as any type of option, warrant, hybrid securities product or any other security, other than a single equity option or a security futures product, whose value is based, in whole or in part, upon the performance of, or interest in, an underlying instrument. *See*, 17 CFR 240.19b-4(e).

<sup>6</sup> Tape A securities are those equity securities for which the New York Stock Exchange, Inc. is the primary listing market. Tape C securities are those issues for which the Nasdaq Stock Exchange, Inc. is the primary listing center. Tape B securities are those issues for which some other national securities exchange is the primary listing market.

securities.<sup>7</sup> Many, but not all, Tape B securities are Derivative Securities Products and some Tape A and C securities are Derivative Securities Products. For securities priced \$1/share or more and which are executed in the Regular Trading Session, the Exchange seeks to eliminate the payment of provide credits pursuant to Section E.1. of the Fee Schedule for all non-Derivative Securities Products priced \$1/share or more and simultaneously extend the provide credit to transactions in Derivative Securities Products priced \$1/share or more. Thus, some Tape B securities which are not Derivative Securities Products would no longer be eligible for a provide credit in the Regular Trading Session and certain Derivative Securities Products which are Tape A and C securities would be eligible for a provide credit. As a category, Derivative Securities Products are heavily traded in the National Market System. By this proposal, the Exchange seeks to pay a provide credit for transactions in such securities in order to incent additional order flow in these issues to the Exchange.

Pursuant to the Exchange's proposed new fee and rebate structure, Participants would be charged a fee of \$0.003/share to take liquidity and given a rebate of \$0.0022/share for providing liquidity in the Regular Trading Session for securities priced \$1.00/share or more which are Derivative Securities Products. For transactions in non-Derivative Securities Products priced \$1/share or more which were executed in the Regular Trading Session, the Exchange proposes to charge a fee of \$0.003/share to take liquidity while giving no rebate for providing liquidity. A liquidity removal fee of \$0.003/share and a provide credit of \$0.0022/share would be assessed for transactions in

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<sup>7</sup> Among other things, the Exchange proposes to correct a typographical error in its Fee Schedule to clarify that the provide credit paid pursuant to Section E.1. for issues priced \$1/share or more is \$.00022 *per share*.

securities priced \$1/share or more in the Exchange's Early and Late Trading Sessions. Participants would be assessed a liquidity removal fee of 0.30% of trade value and given a provide credit of \$0.00009/share in all issues priced less than \$1/share in all trading sessions.

The Exchange proposes similar changes to the fee and rebate structure for single-sided orders executed in the Matching System which were submitted through an Exchange-registered Institutional Broker. These changes in essence substitute the term "Derivatives Securities Products" for "Tape B securities" within the applicable section of the Exchange's Fee Schedule (Section E.1.). Thus, a provide credit of \$0.0022/share in transactions involving Derivatives Securities products executed in the Regular Trading Session would be paid to the Institutional Broker representing the Participant which originated the order.<sup>8</sup> The Exchange proposes to replace references to "Tape A, B and C" securities with an all-inclusive reference to "any" or "all" securities in the text governing the provide credit paid to Institutional Brokers for transactions in the Early and Late Trading Sessions and in securities priced under \$1/share in any trading session.

The Exchange proposes to add the definition of a Derivative Securities Product, taken from Rule 19b-4(e) of the Exchange Act, to the Fee Schedule for purposes of clarity.<sup>9</sup> The Exchange also proposes to replace all references in Section E. of the Fee Schedule to the term "issue" with that to "securities," which is a more accurate and well-

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<sup>8</sup> Currently, the same amount is paid to the Institutional Broker for transactions in Tape B securities.

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

defined term.<sup>10</sup> The Exchange proposes to remove all other references in various sections of the Fee Schedule to Tape A, B and C securities, since those categories would no longer be relevant in assessing fees to CHX Participants. Finally, the Exchange proposes to replace the references to Exchange Traded Funds (“ETFs”), Exchange Traded Notes (“ETNs”) or Exchange Traded Vehicles (“ETVs”) in Section E.8. (Order Cancellation Fee (Regular Trading Session only)) with a reference to Derivative Securities Products.<sup>11</sup> The Exchange believes that these references are functionally equivalent as applied to trading on the Exchange and use of a common term throughout the Fee Schedule should provide additional clarity to Exchange Participants.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>12</sup> in general, and furthers the objectives of Section 6(b)(4) of the Act<sup>13</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. Because the proposed structure will apply to all single sided orders executed in the CHX Matching System, with the limited exception of take fees for Institutional Brokers, which have their own, previously approved, fee structure, the Exchange believes the proposed fee and rebate structure will equitably allocate the

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<sup>10</sup> The Exchange also proposes to replace the references to the term “issue” in Section I (Listing Fees) to the different types of securities “listed on the Exchange” in order to be consistent.

<sup>11</sup> The Exchange also proposes to delete the reference to the effective date of the Cancellation Fees, since that date is now a number of months in the past.

<sup>12</sup> 15 U.S.C. 78f.

<sup>13</sup> 15 U.S.C. 78f(b)(4).

same reasonable rebate rates among Participants in a non-discriminatory nature. Furthermore, because quoting and trading activity is different among certain categories of securities, such as Derivative Securities Products, the Exchange believes that it is fair and reasonable to create different fee and rebate structures for Derivative Securities Products and all other securities in order to better incent activity by Participants on the Exchange's trading facilities in those particular categories.

B. 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.

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

No written comments were either solicited or received.

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

The proposed rule change is to take effect pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>14</sup> and subparagraph (f)(2) of Rule 19b-4 thereunder<sup>15</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.

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<sup>14</sup> 15 U.S.C. 78s(b)(3)(A)(ii)

As more fully discussed above, the Exchange believes that the proposed changes represent a fair and reasonable structure designed to create different fee and rebate amounts to incent activity among all Participants within the Exchange's trading facilities.

#### IV. Solicitation of Comments

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-2012-01 on the subject line.

##### Paper Comments:

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

All submissions should refer to File No. SR-CHX-2012-01. 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

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<sup>15</sup> 17 CFR 240.19b-4(f)(2)

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 on official business days between the hours of 10:00 a.m. and 3:00 p.m. 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-2012-01 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>16</sup>

Elizabeth M. Murphy  
Secretary

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<sup>16</sup> 17 CFR 200.30-3(a)(12).

Exhibit 5

Additions are underlined and deletions are [bracketed].

**FEES AND ASSESSMENTS**

**A. – D.** Unchanged

**E. Transaction and Order Processing Fees**

**1. Matching System single-sided order executions (one-sided orders of 100+ shares)**

**Regular Trading Session:**

*Effective [September 1, 2011] January 9, 2012:*

	<b>Fee if liquidity is taken from the Matching System</b>	<b>Rebate if liquidity is provided to the Matching System</b>
[Tape A & C issues] <u>Non-Derivative Securities Products</u> priced \$1.00/share or more	\$0.003/share	No rebate
[Tape B issues] <u>Derivative Securities Products</u> priced \$1.00/share or more	\$0.003/share	\$0.0022/ <u>share</u>
[Tape A, B & C issues] <u>All securities</u> priced less than \$1.00/share	0.30% of trade value	\$0.00009/share

**Early and Late Trading Sessions:**

*Effective [September 1, 2011] January 9, 2012:*

	<b>Fee if liquidity is taken from the Matching System</b>	<b>Rebate if liquidity is provided to the Matching System</b>
[Tape A, B & C issues] <u>All securities</u> priced \$1.00/share or more	\$0.003/share	\$0.0022/share
[Tape A, B & C issues] <u>All securities</u> priced less than \$1.00/share	0.30% of trade value	\$0.00009/share

These fees are charged (and rebates paid) to the Participant that submits the order to the Matching System, with the following exceptions in connection with transactions that are subject to the agency fees set out in Section E.3.a. (Executions through an Institutional Broker Registered with the Exchange Under Article 17 (All Sessions)) below:

- (a) The liquidity taking fee shall not be charged to any institutional broker;
- (b) A provide credit of \$0.0022/share in [Tape B securities] Derivative Securities Products priced \$1.00/share or more executed in the Regular Trading Session shall be paid to the Institutional Broker representing the Participant which originated the order;
- (c) A provide credit of \$0.0022/share in [Tape A, B and C] all securities priced \$1.00/share or more executed in Early or Late Trading Sessions shall be paid to the Institutional Broker representing the Participant which originated the order; and
- (d) No provide credit in [Tape A, B and C securities] any security priced less than \$1.00/share shall be paid to the Institutional Broker representing the Participant which originated the order.

"Trade value" means a dollar amount equal to the price per share multiplied by the number of shares executed.

"Derivative Securities Product" means any type of option, warrant, hybrid securities product or any other security, other than a single equity option or a security futures product, whose value is based, in whole or in part, upon the performance of, or interest in, an underlying instrument.

**2. Matching System crosses (two-sided orders of any number shares) (All Sessions)**

[Tape A issues No charge

Tape B issues No charge

Tape C issues] All securities No charge

No fees apply to cross orders executed in the Matching System and which are not submitted by an Institutional Broker which is registered under Article 17 of the Exchange's rules.

**3. Executions through an Institutional Broker Registered with the Exchange Under Article 17 (All Sessions)**

**a. Agency executions:**

[Tape A issues] All securities priced \$1.00 per share or more \$.003/share, up to a maximum of \$100 per side

[Tape B issues \$.003/share, up to a maximum of \$100 per side

Tape C issues \$.003/share, up to a maximum of \$100 per side]

[Tape A, B & C issues] All securities priced less than \$1.00/share No charge

**b. Proprietary Executions:**

A cross in any security [issue (Tape A, B or C)] where an Exchange-registered Institutional Broker is trading on a proprietary basis (including in its error account). \$.0007/share, charged to the Exchange-registered Institutional Broker on the shares (including odd lots) that the Institutional Broker is trading on a proprietary basis. The non-Institutional Broker Participant on the other side of the cross transaction shall be assessed the fee set forth in Section E.3.a. of the Fee Schedule.

The fees pursuant to Section 3.a. of the Fee Schedule are charged to the Participant Firm in which name the transaction is submitted for clearance and settlement (including both single-sided and cross orders), other than orders

submitted as an odd-lot order (which are assessed a fee pursuant to E.4.), through an Exchange-registered Institutional Broker (if the Institutional Broker facilitates the execution of the order on the Exchange). If the Institutional Broker executes the order in the Matching System, the Institutional Broker (not its customer) will be assessed applicable Matching System fees (see (1) and (2) above).

The maximum charge of \$100 per side shall be computed for each Participant firm and separately for a Participant which is represented by more than one Institutional Broker Representative (as defined in Article 17, Rule 1 of the Exchange's rules).

**4. Odd-lot Matching System fee (single-sided orders of less than 100 shares) (All Sessions)**

[Tape A issues] <u>All securities</u>	\$ .0040/share
[Tape B issues]	\$ .0040/share
Tape C issues	\$ .0040/share]

These fees are charged to the Participant that submits an odd-lot order to the Matching System, whether electronically by the Participant or through an Institutional Broker. These fees do not apply to orders not entered into the Matching System as an odd-lot order, but which become odd lots due to partial executions.

**5. Fees assessed on the Exchange pursuant to Section 31 of Act (All Sessions)**

All [issues] <u>securities</u>	Rebilled at cost
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**6. Unchanged**

**7. Trade processing fees (All Sessions)**

*Effective November 29, 2011:*

[Tape A issues]	\$ .003/share, up to a maximum of \$100 per side
Tape B issues	\$ .003/share, up to a maximum of \$100 per side
Tape C issues] <u>All securities priced \$1.00 per share or more</u>	\$ .003/share, up to a maximum of \$100 per side

[Tape A, B & C issues] All securities No charge  
priced less than \$1.00/share

Trade Processing Fees are charged for non-CHX executed trades for which clearing information is entered by a CHX-Registered Institutional Broker into the Exchange's systems and submitted to a Qualified Clearing Agency pursuant to Article 21, Rule 6(a). The maximum charge of \$100 per side shall be computed for each Participant firm and separately for a Participant which is represented by more than one Institutional Broker Representative (as defined in Article 17, Rule 1 of the Exchange's rules).

## 8. Order Cancellation Fee (Regular Trading Session only)

*[Effective September 1, 2011:]*

*These provisions do not apply to orders, trades and cancellation activity in Derivative Securities Products, Exchange Traded Funds ("ETFs"), Exchange Traded Notes ("ETNs") or Exchange Traded Vehicles ("ETVs").]*

\$0.30/order cancellation

For all cancellation messages relating to orders in [issues] securities priced \$1.00/share or more submitted through a particular Account Symbol to the Matching System during the Regular Trading Session where the following ratio exceeds 30 on a per day, per [issue] security basis:

$$\left( \sum cv_{[issue] \text{ security}} \div \sum exv_{[issue] \text{ security}} \right)$$

“ $cv_{[issue] \text{ security}}$ ” equals the daily cancelled volume in a given [issue] security.

“ $exv_{[issue] \text{ security}}$ ” equals the daily executed volume in a given [issue] security.

In addition, cancellations from “Immediate or Cancel” or “Fill or Kill” orders will not be counted towards the

number of cancellations resulting in a fee charged to a Participant.

**F. – H.** Unchanged

**I. Listing Fees**

- |    |                      |   |
|----|----------------------|---|
| 1. | Original listings    | \$15,000 per [issue of] common stock <u>listed on the Exchange</u><br><br>\$2,500 per [issue of] preferred stock <u>listed on the Exchange</u><br><br>\$15,000 per warrant <u>listed on the Exchange</u> , if issued alone<br><br>\$2,500 per warrant <u>listed on the Exchange</u> , if issued in addition to common stock<br><br>\$2,500 per [issue of] Purchase Rights Plan[s] <u>listed on the Exchange</u> |
| 2. | Annual Maintenance   | \$.05/thousand shares to maintain listing; applicable in the year following additional listing. The minimum annual maintenance fee is \$1,250 per [issue] <u>security listed on the Exchange</u> ; the maximum annual maintenance fee is \$3,000 per [issue] <u>security listed on the Exchange</u> .   |
| 3. | Supplemental Listing | Unchanged   |
| 4. | Miscellaneous        | Unchanged   |

**J – P.** Unchanged

**MRVP Fine Schedule** Unchanged.

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