INFORMATIONAL CIRCULAR   IC-2009-008

TO: BOX Participants and Participant Organizations

FROM: BOX Market Operations Center

SUBJECT: Amended BOX Fee Schedule for January 2010

DATE: December 23, 2009

The Boston Options Exchange (BOX) is pleased to announce various Fee Schedule changes. The new pricing structure will be effective starting January 4, 2009 (pending SEC approval) whereby BOX will implement the following:

Penny Classes (except SPY, QQQQ, and IWM)[1]

Public Customers (PCs) trade for free, Broker Dealers (BDs) pay 25¢ fee per contract, Market Makers (MMs) pay a tiered fee (between 13¢ and 25¢ per contract);

PLUS Remove Liquidity Credit of 15¢ or Provide Liquidity Fee of 15¢.

For example:
- *to remove liquidity PC receives 15¢ net credit (0¢ + 15¢)*
- *to remove liquidity BD pays 10¢ net fee (-25¢ + 15¢)*
- *to remove liquidity MM receives 2¢ net credit (-13¢ + 15¢)*

- *to provide liquidity PC pays 15¢ net fee (0¢ - 15¢)*
- *to provide liquidity BD pays 40¢ net fee (-25¢ - 15¢)*
- *to provide liquidity MM pays 28¢ net fee (-13¢ - 15¢)*

Non Penny Classes[2]

PCs trade for free, BDs pay 25¢ fee per contract, MMs pay tiered fee (between 13¢ and 25¢ per contract);

PLUS Remove Liquidity Credit of 55¢ or Provide Liquidity Fee of 55¢.

For example:
- *to remove liquidity PC receives 55¢ net credit (0¢ + 55¢)*
- *to remove liquidity BD receives 30¢ net credit (-25¢ + 55¢)*
- *to remove liquidity MM receives 42¢ net credit (-13¢ + 55¢)*

- *to provide liquidity PC pays 55¢ net fee (0¢ - 55¢)*
- *to provide liquidity BD pays 80¢ net fee (-25¢ - 55¢)*
- *to provide liquidity MM pays 68¢ net fee (-13¢ - 55¢)*

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[1] All trades matched during the opening rotation are not subject to the Remove Liquidity Credit and/or Provide Liquidity Fee.
[2] See note 1 above.

SPY, QQQQ, and IWM[3]

PCs trade for free, BDs pay 10¢ fee per contract, MMs pay 5¢ fee per contract;

PLUS Remove Liquidity Credit of 5¢ or Provide Liquidity Fee of 5¢.

For example:
- *to remove liquidity PC receives 5¢ net credit (0¢ + 5¢)*
- *to remove liquidity BD pays 5¢ net fee (-10¢ + 5¢)*
- *to remove liquidity MM trades free (-5¢ + 5¢)*

- *to provide liquidity PC pays 5¢ net fee (0¢ - 5¢)*
- *to provide liquidity BD pays 15¢ net fee (-10¢ - 5¢)*
- *to provide liquidity MM pays 10¢ net fee (-5¢ - 5¢)*

Price Improvement Period (PIP)

PCs trade for free, except customer improving orders (non-CPOs) which pay 15¢ fee per contract, BDs pay 20¢ fee per contract, MMs pay 20¢ fee per contract;

PLUS Remove Liquidity Credit of 15¢ or Provide Liquidity Fee of 15¢.

For example:
- *to remove liquidity PC (as the must be filled PIP Order) receives 15¢ net credit (0¢ + 15¢)*

- *to provide liquidity PC (as a non-CPO) pays 30¢ net fee (-15¢ - 15¢)*
- *to provide liquidity BD (as a competing Improvement Order) pays 35¢ net fee (-20¢ - 15¢)*
- *to provide liquidity MM (as a Primary Improvement Order) pays 35¢ net fee (-20¢ - 15¢)*

Market Maker Tiered Pricing

The per contract exchange fee for a MM based on Average Daily Volume (ADV) (excluding PIP transactions and volume in SPY, QQQQ, & IWM) is as follows:

Average Daily Volume for Market Maker	**Fee Per Contract**
ADV of 150,001 contracts and greater	$0.13
ADV of 100,001 contracts to 150,000 contracts	$0.16
ADV of 50,001 contracts to 100,000 contracts	$0.18
ADV of 10,001 contracts to 50,000 contracts	$0.20
ADV of 0 contracts to 10,000 contracts	$0.25

If you have any questions regarding this matter please contact the BOX Market Operations Center at (866) 768-8845 or boxmoc@bostonoptions.com.

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[3] See note 1 above.