

these proceedings (Public Representative).

3. Comments are due no later than April 6, 2016.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,

Secretary.

[FR Doc. 2016-07680 Filed 4-4-16; 8:45 am]

BILLING CODE 7710-FW-P

POSTAL SERVICE

Product Change—Priority Mail and Parcel Select Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* April 5, 2016.

FOR FURTHER INFORMATION CONTACT:

Elizabeth A. Reed, 202-268-3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 29, 2016, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail & Parcel Select Contract 1 to Competitive Product List*. Documents are available at www.prc.gov, Docket Nos. MC2016-113, CP2016-141.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2016-07676 Filed 4-4-16; 8:45 am]

BILLING CODE 7710-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77479; File No. SR-CBOE-2016-026]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule To Amend the Fees Schedule

March 30, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b-4 thereunder,²

notice is hereby given that on March 28, 2016, Chicago Board Options Exchange, Incorporated (the "Exchange" or "CBOE") 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. 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 Exchange proposes to amend the Fees Schedule. The text of the proposed rule change is available on the Exchange's Web site (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), 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

Background

FLEX Broad-Based Index Options provide users with the ability to customize key contract terms, like exercise prices, exercise styles, expiration dates and exercise settlement values. Pursuant to CBOE Rules 24A.5 and 24B.5, to initiate a FLEX transaction, a Submitting Trading Permit Holder submits a Request for Quotes ("RFQs") to a FLEX Post Official or into CBOE's Hybrid System.³ FLEX-participating Trading Permit Holders ("FLEX Traders"), who have elected to receive RFQs, may then enter bids and

offers responsive to each RFQ during a specified Request Response Period.⁴

On March 21, 2016, the Exchange will begin offering Asian style settlement and Cliquet style settlement for certain FLEX Broad-Based Index Options. In general, Asian style settlement provides for payout based on the average of prices of a broad-based index on pre-determined dates over a specified time period, and Cliquet style settlement provides for a payout that is the greater of \$0 or the (positive) sum of "capped" monthly returns of a broad-based index on pre-determined dates over a specified period of time. These settlement types are also referred to as "Exotics" due to their untraditional nature.

After surveying potential FLEX Broad-Based Index Options users, the Exchange learned that indexed annuity writers (insurance companies) extensively use over-the-counter ("OTC") options with Asian and Cliquet style settlement as a crediting method.⁵ Because of the level of customization that FLEX Broad-Based Index options provide, the Exchange is introducing exchange-traded products that would provide potential market users with an alternative to the OTC market in customized options. The new settlement types were approved pursuant to a CBOE rule filing on July 10, 2015.⁶

Proposed Change

The Exchange proposes an Exotic Surcharge of \$0.25 to be assessed on all customer ("C" origin code) Exotic contracts executed on CBOE.⁷ The Exotic surcharge will be assessed to those FLEX Traders who trade customer orders in FLEX Asian and Cliquet options.

The Exchange also proposes a FLEX Asian and Cliquet FLEX Trader Incentive Program ("Program"). The Program will provide monthly payments to FLEX Traders who trade orders with origin codes other than "C" against customer orders in FLEX Asian and Cliquet options. A compensation pool

⁴ *Id.* See CBOE Rules 24A.5 and 24B.5 for additional information regarding FLEX trading procedures.

⁵ A "crediting method" is the method used to measure the change in the underlying index (*e.g.*, point-to-point or annual reset).

⁶ See Securities Exchange Act Release No. 75312 (July 10, 2016), 80 FR 42152 (July 16, 2016) (SR-CBOE-2015-044).

⁷ The Exchange initially filed the proposed fee changes on March 17, 2016 (SR-CBOE-2016-020). On March 18, 2016, the Exchange withdrew that filing and replaced it with SR-CBOE-2016-022. On March 24, 2016, the Exchange withdrew SR-CBOE-2016-022 and replaced it with SR-CBOE-2016-025. On March 28, 2016 the Exchange withdrew SR-CBOE-2016-025 and replaced it with this filing.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See CBOE Rules 24A.5 and 24B.5.