



BO XSM
O P T I O N S

Informational Circular

IC-2016-14

TO: BOX Options Participants
FROM: BOX Market Operations Center
SUBJECT: Fee Change – July 2016
DATE: June 28, 2016

Effective **July 1, 2016**, BOX Options Exchange (“BOX”) is making the following changes to the BOX Fee Schedule:¹

Error Correction Transactions

BOX is establishing a subsection to Section I (Exchange Fees) entitled “Error Correction Transactions.” An Error Correction Transaction will be defined as a transaction that is meant to correct a ‘bona fide error.’

Error Correction Transactions will be exempt from Non-Auction Transaction exchange fees outlined in Section I.A of the BOX Fee Schedule. Additionally, these transactions will not count toward a Market Maker or Public Customer’s monthly executed volume on BOX for purposes of the Tiered Volume Rebate for Non-Auction Transactions in Section I.A.1. Lastly, the exemption for these Error Correction Transactions will be capped at \$50,000 per month.

For more information about Error Correction Transactions, see [SR-BOX-2016-27](#).

Non-Auction Transactions

BOX is amending certain Non-Auction Transaction fees. Non-Auction Transactions will continue to be assessed a per contract fee based upon three factors: (i) the account type of the Participant submitting the order; (ii) whether the Participant is a liquidity provider or liquidity taker; and (iii) the account type of the contra party.

The fees for Non-Auction Transactions will now be as follows:

¹ Pending regulatory filings.

Account Type	Contra Party	Penny Pilot Classes		Non-Penny Pilot Classes	
		Maker Fee	Taker Fee	Maker Fee	Taker Fee
Public Customer	Public Customer	\$0.05	\$0.05	\$0.05	\$0.05
	Professional Customer/ Broker Dealer	\$0.05	\$0.05	\$0.05	\$0.05
	Market Maker	\$0.05	\$0.05	\$0.05	\$0.05
Professional Customer or Broker Dealer	Public Customer	\$0.60	\$0.45	\$0.95	\$0.85
	Professional Customer/ Broker Dealer	\$0.00	\$0.45	\$0.00	\$0.60
	Market Maker	\$0.00	\$0.45	\$0.00	\$0.60
Market Maker	Public Customer	\$0.27	\$0.43	\$0.65	\$0.80
	Professional Customer/ Broker Dealer	\$0.00	\$0.29	\$0.00	\$0.40
	Market Maker	\$0.00	\$0.29	\$0.00	\$0.40

Tiered Volume Rebate for Non-Auction Transactions

BOX is also amending the Tiered Volume Rebates for Non-Auction Transactions. Market Makers and Public Customers who achieve certain volume based thresholds will continue to receive a per contract rebate on all Non-Auction transactions. Percentage thresholds will be calculated on a monthly basis by totaling the Market Maker or Public Customer's executed volume on BOX, relative to the total national Market Maker or Customer volume in multiply-listed options classes.

The revised qualification tiers will be as follows:

Tier	Percentage Thresholds of National Market Maker Volume in Multiply-Listed Options Classes (Monthly)	Per Contract Rebate	
		Maker	Taker
1	0.000% - 0.069%	\$0.00	\$0.00
2	0.070% - 0.249%	(\$0.03)	\$0.00
3	0.250% - 0.299%	(\$0.07)	\$0.00
4	0.300% and Above	(\$0.15)	\$0.00

		Per Contract Rebate			
		Penny Pilot Classes		Non-Penny Pilot Classes	
Tier	Percentage Thresholds of National Customer Volume in Multiply-Listed Options Classes (Monthly)	Maker	Taker	Maker	Taker
1	0.000% - 0.129%	\$0.00	\$0.00	\$0.00	\$0.00
2	0.130% - 0.339%	(\$0.05)	(\$0.05)	(\$0.20)	(\$0.20)
3	0.340% - 0.549%	(\$0.15)	(\$0.15)	(\$0.30)	(\$0.30)
4	0.550% and Above	(\$0.25)	(\$0.25)	(\$0.50)	(\$0.50)

Complete Fee Schedule

The complete BOX fee schedule is available on the BOX website at <http://boxoptions.com/fee-schedule/>.

Contact

Please contact the Market Operations Center at (866) 768-8845 or by e-mail at BOXMOC@boxexchange.com should you require additional information.