



**TO: BOX Options Participants**  
**FROM: BOX Market Operations Center**  
**SUBJECT: Fee Change – January 2021**  
**DATE: December 31, 2020**

Effective **January 4, 2021**, BOX Options (“BOX”) is removing Section III (Liquidity Fees and Credits) of the BOX Fee Schedule and establishing Break-Up Credits in (1) Section I.B (PIP and COPIP Transactions); (2) Section I.C (Facilitation and Solicitation Transactions); and (3) Section I.C.2 (Strategy Order Facilitation and Solicitation Transactions).<sup>1</sup> BOX is redistributing the fees and rebates outlined in current Section III to the appropriate places within the respective fee structures discussed above. The changes will be as follows:

**PIP and COPIP Transactions<sup>2</sup>**

Account Type	PIP and COPIP Orders <sup>3</sup>			Improvement Orders <sup>4</sup>			PIP and COPIP Break-Up Credit		
	Penny Interval Classes	Non-Penny Interval Classes	SPY <sup>5</sup>	Penny Interval Classes	Non-Penny Interval Classes	SPY	Penny Interval Classes	Non-Penny Interval Classes	SPY
Public Customer	\$0.00	\$0.00	\$0.00	\$0.49	\$0.96	\$0.50	(\$0.34)*	(\$0.81)*	(\$0.45)***
Professional Customer or Broker Dealer	\$0.05	\$0.05	\$0.05	\$0.50	\$1.15	\$0.50	(\$0.34)**	(\$0.81)**	(\$0.45)***
Market Maker	\$0.05	\$0.05	\$0.05	\$0.50	\$1.15	\$0.50	(\$0.34)**	(\$0.81)**	(\$0.45)***

<sup>1</sup> Pending regulatory approval.

<sup>2</sup> Transactions executed through Price Improvement Period (“PIP”) and the Complex Order Price Improvement Period (“COPIP”) auction mechanisms. All COPIP transactions will be charged per contract per leg.

<sup>3</sup> A PIP Order or COPIP Order is a Customer Order (an agency order for the account of either a customer or a broker-dealer) designated for the PIP or COPIP, respectively.

<sup>4</sup> An Improvement Order is a response to a PIP or COPIP auction.

<sup>5</sup> Options contracts overlying the Standard and Poor’s Depository Receipts Trust (“SPY”).

\*The Public Customer PIP or COPIP Order will receive the PIP and COPIP Break-Up Credit.

\*\*If a Non-Public Customer PIP or COPIP Order does not trade with its Primary Improvement Order, the Primary Improvement Order shall receive the Break-Up Credit of \$0.34 for Penny Interval Classes or \$0.81 for Non-Penny Interval Classes.

\*\*\*SPY PIP and COPIP Orders submitted to the PIP and COPIP mechanisms that do not trade with their Primary Improvement Order shall receive the Break-Up Credit.

## Facilitation and Solicitation Transactions<sup>6</sup>

Account Type	Agency Order <sup>7</sup>		Facilitation Order or Solicitation Order <sup>8</sup>		Responses in the Solicitation or Facilitation Auction Mechanisms		Facilitation and Solicitation Break-Up Credit	
	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes
Public Customer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*
Professional Customer or Broker Dealer	\$0.00	\$0.00	\$0.15	\$0.15	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*
Market Maker	\$0.00	\$0.00	\$0.15	\$0.15	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*

\*Agency Orders submitted to the Facilitation and Solicitation mechanisms that do not trade with their contra order shall receive the Break-Up Credit.

<sup>6</sup> Transactions executed through the Solicitation Auction mechanism and Facilitation Auction mechanism.

<sup>7</sup> An Agency Order is a block-size order that an Order Flow Provider seeks to facilitate as agent through the Facilitation Auction or Solicitation Auction mechanism.

<sup>8</sup> Facilitation and Solicitation Orders are the matching contra orders submitted on the opposite side of the Agency Order.

## Strategy Order Facilitation and Solicitation Transactions

Account Type	Agency Order		Facilitation Order or Solicitation Order		Responses in the Solicitation or Facilitation Auction Mechanisms		Strategy Order Facilitation or Solicitation Break-Up Credit	
	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes	Penny Interval Classes	Non-Penny Interval Classes
Public Customer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*
Professional Customer	\$0.10	\$0.10	\$0.10	\$0.10	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*
Broker Dealer	\$0.25	\$0.25	\$0.25	\$0.25	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*
Market Maker	\$0.25	\$0.25	\$0.25	\$0.25	\$0.50	\$1.15	(\$0.25)*	(\$0.75)*

\* Agency Orders submitted to the Facilitation and Solicitation mechanisms that do not trade with their contra order shall receive the Break-Up Credit.

## Primary Improvement Order

BOX is also amending Primary Improvement Order percentage thresholds and fees. The Primary Improvement Order fee structure will be as follows:

Tier	Percentage Thresholds of National Customer Volume in Multiply-Listed Options Classes (Monthly)	Per Contract Fee (All Account Types)
1	0.000% - 0.449%	\$0.05
2	0.450% and Above	\$0.02

## 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@boxoptions.com](mailto:BOXMOC@boxoptions.com) should you require additional information.