



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).¹ 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 Transactions²

Account Type	PIP and COPIP Orders ³			Improvement Orders ⁴			PIP and COPIP Break-Up Credit		
	Penny Interval Classes	Non-Penny Interval Classes	SPY ⁵	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)***

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

¹ Pending regulatory approval.

² 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.

³ 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.

⁴ An Improvement Order is a response to a PIP or COPIP auction.

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

**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 Transactions⁶

Account Type	Agency Order ⁷		Facilitation Order or Solicitation Order ⁸		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.

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)*

⁶ Transactions executed through the Solicitation Auction mechanism and Facilitation Auction mechanism.

⁷ 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.

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

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 should you require additional information.