**Informational Circular** **IC-2022-06**

**TO:** **BOX Options Participants**

**FROM:** **BOX Market Operations Center**

**SUBJECT:** **Fee Change – March 2022**

**DATE:** **February 28, 2021**

Effective **March 1, 2022**, BOX Options Market LLC ("BOX") is amending Section VII.D (Strategy QOO Order Fee Cap and Rebate) of the BOX Fee Schedule.[1] Specifically, BOX is decreasing the daily fee cap for short stock interest, long stock interest, merger, reversal, conversion, jelly roll, and box spread strategies[2] executed on the same trading day from $1,000 to $500.

## 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.

[1] Pending regulatory approval.

[2] A "short stock interest strategy" is defined as a transaction done to achieve a short stock interest arbitrage involving the purchase, sale, and exercise of in-the-money options of the same class. A "long stock interest strategy" is defined as a transaction done to achieve long stock involving the purchase, sale, and exercise of in-the-money options of the same class. A "merger strategy" is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, each executed prior to the date on which shareholders of record are required to elect their respective form of consideration, i.e., cash or stock. A "reversal strategy" is established by combining a short security position with a short put and a long call position that shares the same strike and expiration. A "conversion strategy" is established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration. A "jelly roll strategy" is created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position. A "box spread strategy" is a strategy that synthesizes long and short stock positions to create a profit. Specifically, a long call and short put at one strike is combined with a short call and long put at a different strike to create synthetic long and synthetic short stock positions, respectively.