New language
[deleted language]

BOX Exchange
Fee Schedule

Section I. Electronic Transaction Fees

No Change.

Section II. Manual Transaction Fees

A. through C. No Change.

D. Strategy QOO Order Fee Cap and Rebate

The manual transaction fees for certain Strategy QOO Orders will be capped on a daily basis:

- [The fees will be capped at $1,000 for all short stock interest, reversal, conversion, jelly roll, and box spread strategies executed on the same trading day will be capped at $1,000 per day.]

- Dividend strategies executed on the same trading day in the same options class will be capped at $1,000 per day.

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1 Orders initiated electronically, as opposed to orders initiated and presented on the Trading Floor in open outcry. For all volume threshold calculations within this fee schedule, a Participant’s electronic and manual volume will be considered.

14 Orders initiated and presented on the Trading Floor in open outcry, as opposed to initiated electronically. Manual transactions consist of Qualified Open Outcry (“QOO”) Orders. All fees, rebates and applicable caps will apply to both sides of the paired QOO Order.

16 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 “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 “boxespread 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.

17 A “dividend strategy” is defined as a transaction done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed the first business day prior to the date on which the underlying stock goes ex-dividend.
On each trading day, Floor Brokers are eligible to receive a $500 rebate for presenting certain Strategy QOO Orders on the Trading Floor. The rebate will be applied once the $1,000 fee cap for all dividend, short stock interest, reversal, conversion, jelly roll, and box spread strategies is met.

Section III. Liquidity Fees and Credits

Liquidity fees and credits shall apply to all classes on BOX (unless explicitly stated otherwise) and shall be applied in addition to any applicable exchange transaction fees as described above in Section I of this Fee Schedule.

A. PIP and COPIP Transactions

PIP and COPIP Transactions are subject to the fees and credits of this Section III A and shall be applied in addition to any applicable Electronic Transaction fees as described in Section I of this Fee Schedule.

- Each PIP Order or COPIP Order that executes against an Unrelated Order on the BOX Book shall be treated as a Non-Auction Transaction and deemed exempt from Liquidity Fees and Credits in Section III.\(^\text{[17]}\)\(^\text{[18]}\)

- A Public Customer PIP or COPIP Order shall receive the “removal” credit, while the corresponding Primary Improvement Order and any Improvement Orders will be charged the “add” fee in the following table:

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B. through C. No Change.

Section IV. Complex Order Transaction Fees

The transaction fees (credits) set forth in this Section IV A and B will be applied to executions of Complex Orders, with the exception of (i) Complex Order Electronic transactions executed through the Auction Mechanisms\(^\text{[18]}\)\(^\text{[19]}\) which will be subject to Sections I (Electronic Transaction Fees) and III (Liquidity Fees and Credits) and (ii) Complex Order Manual Transactions which will be subject to Section II (Manual Transaction Fees). All Complex Order and COPIP transactions will be charged per contract per leg.

All Complex Order transactions will count toward a Market Maker’s monthly executed volume on BOX in Section I.A.1.

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\(^{[17]}\) See footnote 7.

\(^{[18]}\) BOX’s auction mechanisms include the Price Improvement Period ("PIP"), Complex Order Price Improvement Period ("COPIP"), Facilitation Auction and Solicitation Auction.
Section V. No Change.

Section VI. Technology Fees

A. Connectivity Fees

1. Third Party Connectivity Fees

Market participants are required to connect to the BOX network (including cross-connects) through datacenters owned and operated by third-party vendors. Certain fees are assessed by the datacenters and will be billed directly to the market participant. BOX will pass-through any connectivity fees to Participants and non-Participants that are assessed to BOX by these third-party external vendors on behalf of a Participant or non-Participant. Connectivity fees can include one-time set-up fees, monthly charges, and other fees charged by the third-party vendor in exchange for the services provided to the market participant.

2. No Change

B. Port Fees

1. FIX

BOX will assess monthly Financial Information Exchange (“FIX”) Port Fees on Participants in each month the Participant is credentialed to use a FIX Port in the production environment and based upon the number of credentialed FIX Ports.

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[19][20] A “cross connect” occurs when the affected third-party system is located at the same datacenter where BOX systems are located, and the third-party connects to BOX through the datacenter.

[20][21] The FIX Port is an interface with BOX systems that enables the Port user (typically an Exchange Participant or a Market Maker) to submit regular and complex orders to BOX.
2. SAIL

BOX will assess monthly SOLA® Access Information Language ("SAIL") Port[21][22] Fees on all Participants in each month the Participant is credentialed to use a SAIL Port in the production environment and based upon the number of credentialed SAIL Ports.

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3. Drop Copy

BOX will assess Drop Copy Port[23][24] Fees of $500 per port per month for each month a Participant is credentialed to use a Drop Copy Port. Drop Copy Port Fees will be capped at $2,000 per month.

4. High Speed Vendor Feed ("HSVF") Port

No Change.

Section VII. Regulatory Fees

A. Options Regulatory Fee[23][24]

No Change.

B. FINRA Fees

No Change.

C. Registration and Continuing Education Fees

1. Series 57 Exam[24][25]: $120.00

[21][22] SAIL Market Making Ports are connections to BOX systems that enable Market Makers to continuously quote on BOX, while SAIL Order Entry Ports allow Market Makers and other Participants to submit order flow to BOX.

[22][23] The Drop Copy Port is a real-time feed containing trade execution, trade correction, trade cancellation and trade allocation for regular and complex orders on BOX.

[23][24] The Options Regulatory Fee (ORF) will be assessed to each BOX Options Participant for all options transactions cleared or ultimately cleared by the BOX Options Participant that are cleared by The Options Clearing Corporation (OCC) in the customer range regardless of the exchange on which the transaction occurs. The ORF is not assessed on outbound linkage trades. The ORF is collected by OCC on behalf of BOX from either (1) a Participant that was the ultimate clearing firm for the transaction or (2) a non-Participant that was the ultimate clearing firm where a Participant was the executing clearing firm for the transaction. The Exchange uses reports from OCC to determine the identity of the executing clearing firm and ultimate clearing firm. The Exchange may only increase or decrease the ORF semi-annually and any such fee change will be effective on the first business day of February or August. The Exchange will notify BOX Options Participants via Informational Circular of any change in the amount of the fee at least 30 calendar days prior to the effective date of the change.
2. S101 Continuing Education\textsuperscript{(25)(26)}: $55.00 per session

Section VIII. through Section IX. No change.

\textsuperscript{(24)(25)} The fee for the Series 57 exam is paid directly to FINRA.
\textsuperscript{(25)(26)} The S101 Continuing Education fee will be assessed to each individual who is required to complete the Regulatory Element of the Continuing Education Requirements pursuant to BOX Rule 2040 and is paid directly to FINRA.