

PRODUCT FEE DEFINITIONS

EXECUTION FEE

The **execution fee** is assessed one time and charged to the clearing firm executing the trade.

$$\text{Fee}_{\text{execution}} = \text{PRICE}_{\text{trade}} * \text{Quantity}_{\text{trade}} * \text{Multiplier}_{\text{shares}} * \text{Fee Rate}_{\text{execution for product class}}$$

CARRY FEE

The **carry fee** is assessed each day and charged to the clearing firm carrying the positions of unregistered accounts.

$$\text{Fee}_{\text{carry}} = \text{PRICE}_{\text{settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}} * \text{Fee Rate}_{\text{flat carry}}$$

The **reduced carry fee** is assessed each day and charged to the clearing firm carrying the positions of registered accounts.

$$\text{NV}_{\text{position}} = \text{PRICE}_{\text{settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}}$$

$$\text{Fee}_{\text{reduced carry}} = \text{NV}_{\text{eligible position}} * \text{Fee Rate}_{\text{based on NV threshold}}$$

DELIVERY FEE

The **delivery fee** is assessed one time and charged to the clearing firm taking a position to delivery via either physical or cash settlement.

$$\text{Fee}_{\text{delivery}} = \text{PRICE}_{\text{final settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}} * \text{Fee Rate}_{\text{delivery for product class}}$$

REGULATORY FEE

The **regulatory fee** is assessed each day and charged to the executing clearing firm on both sides of the trade.

$$\text{Fee}_{\text{Regulatory}} = \text{Quantity}_{\text{Contracts (per trade side)}} * \text{Fee Rate}_{\text{Minimum of \$0.01}}$$

PRODUCT FEE EXAMPLE

Firm **Alpha Trading** buys **100,000** units (contracts) of **XYZ1D** SSF at a price of **\$150.25** per unit and holds the position for **3 days**. On the **3rd day** the position expires and is taken to delivery.

*Please note that in this example, for the sake of simplicity, firm **Alpha Trading** only carries one position (XYZ1D). In reality, the carry fee is assessed by the total notional value of all positions. In the examples below, the standard carry fee is assessed under the assumption that the firm has not been registered with the exchange for the reduced carry fee, while the reduced carry fee is assessed under the assumption that the firm has been registered for the reduced carry fee.

Product Information:

Underlying Stock: XYZ

Shares per Contract Unit: 100

EXAMPLE WITH STANDARD CARRY FEE

Day	Settlement Price	Execution Fee	Standard Carry Fee	Delivery Fee
0	\$150.25	\$7,512.50		
1	\$151.00		\$2,114.00	
2	\$150.96		\$2,113.44	
3	\$150.36		\$2,105.04	\$7,518.00

EXAMPLE WITH REDUCED CARRY FEE

Day	Settlement Price	Execution Fee	Reduced Carry Fee	Delivery Fee
0	\$150.25	\$7,512.50		
1	\$151.00		\$1,057.00	
2	\$150.96		\$1,056.72	
3	\$150.36		\$1,052.52	\$7,518.00

EXECUTION FEE

Fee_{execution} = PRICE_{trade} * Quantity_{trade} * Multiplier_{shares} * Fee Rate_{execution for product class}

$$\$7,512.50 = \$150.25 * 100,000 * 100 * 0.000005$$

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EXCHANGE PRODUCT FEE WALKTHROUGH



CARRY FEE

$$\text{Fee}_{\text{carry}} = \text{PRICE}_{\text{settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}} * \text{Fee Rate}_{\text{flat carry}}$$

$$\text{NV}_{\text{position}} = \text{PRICE}_{\text{settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}}$$

$$\text{Fee}_{\text{reduced carry}} = \text{NV}_{\text{eligible position}} * \text{Fee Rate}_{\text{based on NV threshold}}$$

Day 1 carry fee:

$$\text{NV} = \$1,510,000,000 = \$151.00 * 100,000 * 100$$

$$\text{Fee}_{\text{flat carry}} = \$1,510,000,000 * 0.0000014$$

$$\text{Fee}_{\text{flat carry}} = \mathbf{\$2,114}$$

$$\text{Fee}_{\text{reduced carry}} = \$1,510,000,000 * 0.0000007$$

$$\text{Fee}_{\text{reduced carry}} = \mathbf{\$1,057}$$

Day 2 carry fee:

$$\text{NV} = \$1,509,600,000 = \$150.96 * 100,000 * 100$$

$$\text{Fee}_{\text{flat carry}} = \$1,509,600,000 * 0.0000014$$

$$\text{Fee}_{\text{flat carry}} = \mathbf{\$2,113.44}$$

$$\text{Fee}_{\text{reduced carry}} = \$1,509,600,000 * 0.0000007$$

$$\text{Fee}_{\text{reduced carry}} = \mathbf{\$1,056.72}$$

Day 3 carry fee:

$$\text{NV} = \$1,503,600,000 = \$150.36 * 100,000 * 100$$

$$\text{Fee}_{\text{flat carry}} = \$1,503,600,000 * 0.0000014$$

$$\text{Fee}_{\text{flat carry}} = \mathbf{\$2,105.04}$$

$$\text{Fee}_{\text{reduced carry}} = \$1,503,600,000 * 0.0000007$$

$$\text{Fee}_{\text{reduced carry}} = \mathbf{\$1,052.52}$$

DELIVERY FEE

$$\text{Fee}_{\text{delivery}} = \text{PRICE}_{\text{final settlement}} * \text{Quantity}_{\text{position}} * \text{Multiplier}_{\text{shares}} * \text{Fee Rate}_{\text{delivery for product class}}$$

$$\mathbf{\$7,518.00} = \$150.36 * 100,000 * 100 * 0.000005$$

REGULATORY FEE

$$\text{Fee}_{\text{Regulatory}} = \text{Quantity}_{\text{Contracts (per trade side)}} * \text{Fee Rate}_{\text{Minimum of } \$0.01}$$

$$\mathbf{\$210.00} = 100,000 * \$0.0021$$

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