

**Nasdaq MRX  
Schedule of Fees**

*Last Updated May 12, 2017*

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## PREFACE

All fee disputes concerning fees which are billed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All fee disputes must be submitted no later than sixty calendar (60) days after receipt of a billing invoice.

For purposes of assessing fees, the following references should serve as guidance. Fees and rebates are listed per contract per leg unless otherwise noted.

A “**Priority Customer**” is a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s), as defined in Nasdaq MRX Rule 100(a)(37A).

A “**Professional Customer**” is a person or entity that is not a broker/dealer and is not a Priority Customer.

A “**Non-Nasdaq MRX Market Maker**” is a market maker as defined in Section 3(a)(38) of the Securities Exchange Act of 1934, as amended, registered in the same options class on another options exchange.

A “**Firm Proprietary**” order is an order submitted by a member for its own proprietary account.

A “**Broker-Dealer**” order is an order submitted by a member for a broker-dealer account that is not its own proprietary account.

A “**Nasdaq MRX Appointed Market Maker**” is an Nasdaq MRX Market Maker who has been appointed by an Electronic Access Member pursuant to Section I, Table 4.

A “**Nasdaq MRX Appointed Order Flow Provider**” is an Electronic Access Member who has been appointed by an Nasdaq MRX Market Maker pursuant to Section I, Table 4.

A “**Retail**” order is a Priority Customer order that originates from a natural person, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology.

A “**Flash Order**” is an order that is exposed at the National Best Bid or Offer by the Exchange to all members for execution, as provided under Supplementary Material .02 to Nasdaq MRX Rule 1901.

A “**Regular Order**” is an order that consists of only a single option series and is not submitted with a stock leg.

A “**Crossing Order**” is an order executed in the Exchange’s Facilitation Mechanism, Solicited Order Mechanism, Price Improvement Mechanism (“PIM”) or submitted as a Qualified Contingent Cross order. For purposes of this Fee Schedule, orders executed in the Block Order Mechanism are also considered Crossing Orders.

“**Responses to Crossing Order**” is any contra-side interest (i.e., orders & quotes) submitted after the commencement of an auction in the Exchange’s Facilitation Mechanism, Solicited Order Mechanism, Block Order Mechanism or Price Improvement Mechanism.

**“Penny Symbols”** are options overlying all symbols listed on Nasdaq MRX that are in the Penny Pilot Program. The current list of Nasdaq MRX-listed Penny Pilot Program symbols is available at [http://www.ise.com/assets/files/products/productstraded/options\\_product\\_equityDownload.csv](http://www.ise.com/assets/files/products/productstraded/options_product_equityDownload.csv)

**“Non- Penny Symbols”** are options overlying all symbols excluding Penny Symbols.

I. Regular Order Fees and Rebates

Table 1

<b>Penny Symbols</b>					
<b>Market Participant</b>	<b>Fee/Rebate Tier 1</b>	<b>Fee/Rebate Tier 2</b>	<b>Fee/Rebate Tier 3</b>	<b>Fee/Rebate Tier 4</b>	<b>Fee/Rebate Tier 5</b>
Market Maker <sup>(1) (2)</sup>	\$0.25	\$0.22	\$0.18	\$0.15	\$0.10
Non-Nasdaq MRX Market Maker (FarMM)	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47
Firm Proprietary / Broker-Dealer	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47
Professional Customer	\$0.47	\$0.47	\$0.47	\$0.47	\$0.47
Priority Customer	(\$0.05)	(\$0.10)	(\$0.15)	(\$0.21)	(\$0.24)

  

<b>Non-Penny Symbols</b>					
<b>Market Participant</b>	<b>Fee/Rebate Tier 1</b>	<b>Fee/Rebate Tier 2</b>	<b>Fee/Rebate Tier 3</b>	<b>Fee/Rebate Tier 4</b>	<b>Fee/Rebate Tier 5</b>
Market Maker <sup>(1) (2)</sup>	\$0.25	\$0.22	\$0.18	\$0.15	\$0.10
Non-Nasdaq MRX Market Maker (FarMM)	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90
Firm Proprietary / Broker-Dealer	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90
Professional Customer	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90
Priority Customer	(\$0.05)	(\$0.10)	(\$0.15)	(\$0.21)	(\$0.24)

1. This fee also applies to Nasdaq MRX Market Maker orders sent to the Exchange by Electronic Access Members.
2. Market Makers will receive a \$0.05 per contract discount when trading against a non-Priority Customer.

**Table 2**

<b>Penny Symbols</b>		
<b>Market Participant</b>	<b>Fee for Crossing Orders (Except PIM Orders of 500 or Fewer Contracts) <sup>(1)(2)</sup></b>	<b>Fee for Responses to Crossing Orders</b>
Market Maker <sup>(4)</sup>	\$0.20	\$0.25 <sup>(5)</sup>
Non-Nasdaq MRX Market Maker (FarMM)	\$0.20	\$0.50
Firm Proprietary / Broker-Dealer	\$0.20	\$0.50
Professional Customer	\$0.20	\$0.50
Priority Customer	\$0.00	\$0.50

  

<b>Non-Penny Symbols</b>		
<b>Market Participant</b>	<b>Fee for Crossing Orders (Except PIM Orders of 500 or Fewer Contracts) <sup>(1)(2)</sup></b>	<b>Fee for Responses to Crossing Orders</b>
Market Maker <sup>(4)</sup>	\$0.20	\$0.25 <sup>(5)</sup>
Non-Nasdaq MRX Market Maker (FarMM)	\$0.20	\$0.95
Firm Proprietary / Broker-Dealer	\$0.20	\$0.95
Professional Customer	\$0.20	\$0.95
Priority Customer	\$0.00	\$0.95

**Table 3**

<b>All Symbols</b>					
<b>Market Participant</b>	<b>Fee/Rebate for PIM Orders of 500 or Fewer Contracts Tier 1<sup>(1)</sup></b>	<b>Fee/Rebate for PIM Orders of 500 or Fewer Contracts Tier 2<sup>(1)</sup></b>	<b>Fee/Rebate for PIM Orders of 500 or Fewer Contracts Tier 3<sup>(1)</sup></b>	<b>Fee/Rebate for PIM Orders of 500 or Fewer Contracts Tier 4<sup>(1)</sup></b>	<b>Fee/Rebate for PIM Orders of 500 or Fewer Contracts Tier 5<sup>(1)</sup></b>
Market Maker <sup>(4)</sup>	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Non-Nasdaq MRX Market Maker (FarMM)	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Firm Proprietary / Broker-Dealer Professional	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Customer	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Priority Customer <sup>(3)</sup>	(\$0.11)	(\$0.11)	(\$0.13)	(\$0.13)	(\$0.13)

1. Fees apply to the originating and contra orders, except as noted in 3, below.
2. PIM orders of more than 500 contracts will pay the Fee for Crossing Orders.
3. Priority Customer orders on the contra-side of a PIM auction pay no fee and receive no rebate.
4. This fee also applies to Nasdaq MRX Market Maker orders sent to the Exchange by Electronic Access Members.
5. Market Makers that achieve Tier 2 or higher of the Qualifying Tier Thresholds in Table 4, below, will be charged the discounted fee applicable to the tier reached as described in Table 1, above.

## Member Volume Program: Qualifying Tier Thresholds

Table 4

Tier	Total Affiliated and/or Appointed Priority Customer ADV
Tier 1	0-19,999
Tier 2	20,000-39,999
Tier 3	40,000-59,999
Tier 4	60,000-79,999
Tier 5	80,000+

- Any day that the market is not open for the entire trading day or the Exchange instructs Members in writing to route their orders to other markets may be excluded from the ADV calculation; provided that the Exchange will only remove the day for members that would have a lower ADV with the day included.
- The highest tier threshold attained applies retroactively in a given month to all eligible traded contracts and applies to all eligible market participants.
- The Total Affiliated Priority Customer ADV category includes all Priority Customer volume executed on the Exchange in all symbols and order types, including volume executed in the PIM, Facilitation, and QCC mechanisms.
- All eligible volume from affiliated Members will be aggregated in determining applicable tiers, provided there is at least 75% common ownership between the Members as reflected on the Member's Form BD, Schedule A.
- All eligible volume from a Nasdaq MRX Appointed Order Flow Provider will be aggregated with its designated Nasdaq MRX Appointed Market Maker's eligible volume in determining the Nasdaq MRX Appointed Market Maker's applicable tiers, provided the Nasdaq MRX Appointed Market Maker is designated by the Mercury Appointed Order Flow Provider in accordance with the below instructions.
- A Nasdaq MRX Appointed Market Maker is eligible to receive and aggregate volume credit from both their affiliated Members and their Nasdaq MRX Appointed Order Flow Provider. A Nasdaq MRX Appointed Order Flow Provider will not receive volume credit from its Nasdaq MRX Appointed Market Maker or the Nasdaq MRX Appointed Market Maker's affiliates in determining its applicable tiers.
- Designating a Nasdaq MRX Appointed Market Maker / Appointed Order Flow Provider: An Nasdaq MRX Market Maker appoints an Electronic Access Member as its Appointed Order Flow Provider and an Electronic Access Member appoints an Nasdaq MRX Market Maker as its Appointed Market Maker, for the purposes of the Fee Schedule, by each sending an email to [bizdev@ise.com](mailto:bizdev@ise.com). These corresponding emails will be viewed as acceptance of the appointment.
- The Exchange will recognize one such designation for each party. A party may make a designation not more than once every 6 months, which designation shall remain in effect until the Exchange receives an email from either party indicating that the appointment has been terminated.



## II. Other Options Fees and Rebates

### A. Route-Out Fees<sup>1</sup>

Market Participant	Penny Symbols	Non-Penny Symbols
All Market Participants	\$0.55	\$0.96

1. Fee applies to executions of orders that are routed to one or more exchanges in connection with the Options Order Protection and Locked/Crossed Market Plan.

### B. Marketing Fee

Market Participant	Penny Symbols	Non-Penny Symbols
Market Maker	\$0.25	\$0.70

- Marketing fees apply to Nasdaq MRX Market Makers for each Regular Priority Customer contract executed except as noted below.
- Marketing fees are waived for Flash Order responses.
- The marketing fee will be rebated proportionately to the members that paid the fee such that on a monthly basis the marketing fee fund balance administered by a Primary Market Maker for a Group of options established under Rule 802(b) does not exceed \$100,000 and the marketing fee fund balance administered by a preferenced Competitive Market Maker for such a Group does not exceed \$100,000. A preferenced Competitive Market Maker that elects not to administer a fund will not be charged the marketing fee. The Exchange assesses an administrative fee of .45% on the total amount of the funds collected each month.

### III. Legal & Regulatory

#### A. FINRA Web CRD Fees

These fees are collected and retained by FINRA via the Web CRD registration system for the registration of associated persons of member organizations of the Exchange that are not FINRA members.

General Registration Fees:

\$100 – For each initial Form U4 filed for the registration of a representative or principal.

\$110 – For the additional processing of each initial or amended Form U4, Form U5 or Form BD that includes the initial reporting, amendment or certification of one or more disclosure events or proceedings.

\$45 – FINRA Annual System Processing Fee Assessed only during Renewals.

Fingerprint Processing Fees:

\$27.75 – Initial Submission (Electronic)

\$42.75 – Initial Submission (Paper)

\$15.00 – Second Submission (Electronic)

\$30.00 – Second Submission (Paper)

\$27.75 – Third Submission (Electronic)

\$42.75 – Third Submission (Paper)

\$30.00 – FINRA Processing Fee for Fingerprint Results Submitted by Self-Regulatory Organizations other than FINRA.

#### IV. Consolidated Audit Trail Funding Fees

##### (a) Definitions.

(1) For purposes of the Consolidated Audit Trail Funding Fees, the terms “CAT NMS Plan”, “Industry Member”, “NMS Stock”, “OTC Equity Security” and “Participant” are defined as set forth in Rule 900 (Consolidated Audit Trail – Definitions).

(2) “ATS” means an alternative trading system as defined in Rule 300(a) of Regulation ATS under the Securities Exchange Act of 1934, as amended, that operates pursuant to Rule 301 of Regulation ATS.

(3) “CAT Fee” means the Consolidated Audit Trail Funding Fee(s) to be paid by Industry Members as set forth in paragraph (b) below.

(4) “Equity ATS” is an ATS that executes transactions in NMS Stocks and/or OTC Equity Securities.

(5) “Equity Execution Venue” means an Execution Venue that trades NMS Stocks and/or OTC Equity Securities.

(6) “Execution Venue” means a Participant or an ATS (excluding any such ATS that does not execute orders).

##### (b) Fee Schedule.

(1) The CAT NMS, LLC will assign each Industry Member (other than an Equity ATS) to a fee tier once every quarter, where such tier assignment is calculated by ranking each Industry Member based on its total message traffic for the three months prior to the quarterly tier calculation day and assigning each Industry Member to a tier based on that ranking and predefined Industry Member percentages. The Industry Members with the highest total quarterly message traffic will be ranked in Tier 1, and the Industry Members with lowest quarterly message traffic will be ranked in Tier 9. Each quarter, each Industry Member (other than an Equity ATS) shall pay the following CAT Fee corresponding to the tier assigned by the CAT NMS, LLC for such Industry Member for that quarter:

Tier	Percentage of Industry Members	Quarterly CAT Fee
1	0.500%	\$101,004
2	2.500%	\$81,153
3	2.125%	\$57,717
4	4.625%	\$19,965
5	3.625%	\$12,489
6	4.000%	\$7,680
7	17.500%	\$1,503
8	20.125%	\$435
9	45.000%	\$66

(2) The CAT NMS, LLC will assign each Equity ATS to a fee tier once every quarter, where such tier assignment is calculated by ranking each Equity Execution Venue based on its total market share of NMS Stocks and OTC Equity Securities for the three months prior to the quarterly tier calculation day and assigning each Equity Execution Venue to a tier based on that ranking and predefined Equity Execution Venue percentages. The Equity Execution Venues with

the higher total quarterly market share will be ranked in Tier 1, and the Equity Execution Venues with the lower quarterly market share will be ranked in Tier 2. Each quarter, each Equity ATS shall pay the following CAT Fee corresponding to the tier assigned by the CAT NMS, LLC for such Equity ATS for that quarter:

<b>Tier</b>	<b>Percentage of Equity Execution Venues</b>	<b>Quarterly CAT Fee</b>
1	25.00%	\$63,375
2	75.00%	\$38,820

(c) Timing and Manner of Payments.

(1) The CAT NMS, LLC will provide each Industry Member with one invoice each quarter for its CAT Fees as determined pursuant to paragraph (b) above, regardless of whether the Industry Member is a member of multiple self-regulatory organizations. Each Industry Member will pay its CAT Fees to the CAT NMS, LLC via the centralized system for the collection of CAT Fees established by the CAT NMS, LLC in the manner prescribed by the CAT NMS, LLC.

(2) Each Industry Member shall pay CAT Fees within thirty days after receipt of an invoice or other notice indicating payment is due (unless a longer payment period is otherwise indicated). If an Industry Member fails to pay any such fee when due, such Industry Member shall pay interest on the outstanding balance from such due date until such fee is paid at a per annum rate equal to the lesser of (i) the Prime Rate plus 300 basis points, or (ii) the maximum rate permitted by applicable law.