



Via Portal Submission

February 2, 2017

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: OneChicago, LLC Rule Submission
Issuing NTM 2017-8 (Implementing Delivery Fees & Tiered Carry Fees)
(OCX Submission Number 17-003)

Dear Mr. Kirkpatrick:

Pursuant to section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”), and § 40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (“CFTC” or the “Commission”) under the Act, OneChicago, LLC (“OneChicago,” “OCX,” or the “Exchange”) hereby submits the following Notice to Members (“NTM”), which will become effective on March 1, 2017. In this NTM, OneChicago is (1) implementing a delivery fee for futures positions held through expiry; and (2) amending its Carry Fee to allow for tiered fees based on notional value of end-of-day positions.

Delivery Fees

OneChicago does not currently charge an exchange delivery fee for any futures positions held to expiration and taken through delivery. Beginning March 1, 2017, OneChicago will begin to institute a fee for monthly futures positions taken through delivery. The new delivery fee is applied to the clearing firm’s deliveries for all monthly expiring product positions.

Tiered Carry Fees

OneChicago’s Carry Fee currently consists of a flat daily fee rate charged to clearing firms based on notional value of open interest. OneChicago’s new tiered carry fees will permit customers to receive reduced Carry Fee rates for large notional value positions pursuant to a tiered fee schedule.

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The purpose and effect of the rule change is to update the Exchange's fees to establish a delivery fee and to implement a tiered Carry Fee schedule. Comments on the rule changes have not been solicited and none have been received. OneChicago is not aware of any substantive opposing views to this rule filing. OneChicago certifies that the rule changes comply with the Act, including the core principles, and the Commission's regulations promulgated thereunder. OneChicago further certifies that a copy of this submission has been posted on the [OneChicago website](#).

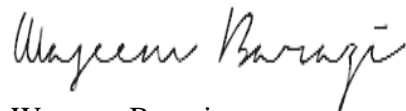
OneChicago staff has reviewed the core principles applicable to designated contract markets ("DCMs"), and has concluded that the proposed rule changes may have some bearing upon the following core principle(s):

Core Principle 2: Core Principle 2 requires, *inter alia*, that DCMs provide their market participants with comparable and non-discriminatory fee structures. The proposed delivery and tiered carry fees support Core Principle 2 in that they are transparent and non-discriminatory fees that are consistent for all market participants.

Core Principle 7: Core Principle 7 requires DCMs to make available to market authorities, market participants, and the public accurate information concerning the rules and regulations for executing transactions on the contract market. The proposed NTM supports Core Principle 7 in that the fees are set forth in a clear and transparent manner.

If you have any questions or comments related to this filing, please feel free to contact me by telephone at (312) 883-3441 or through e-mail at wbarazi@onechicago.com.

Respectfully Submitted,



Waseem Barazi
Chief Regulatory Officer and Associate General Counsel

Encl: Attachment A

Attachment A

(See Following Page)

Date: February 2, 2017
Re: Implementing Delivery Fees & Tiered Carry Fees
Effective Date: March 1, 2017

OneChicago, LLC (“OneChicago”) is issuing this Notice to Members (“NTM”) 2017-8 to inform market participants that on March 1, 2017, OneChicago is making two changes to its fee structure. First, OneChicago is implementing delivery fees for monthly futures positions held through expiration. These delivery fees are a new charge in addition to current fees paid by market participants. Second, OneChicago is amending its carry fees to allow for a tiered structure in which futures positions above a certain notional value are subject to a reduced fee. In order to receive these reduced fees, market participants must register their Large Trader Reporting (“LTR”) account numbers with OneChicago.

Delivery Fees

OneChicago does not currently charge an exchange delivery fee for any futures positions held to expiration and taken through delivery. Beginning March 1, 2017, OneChicago will begin to institute a fee for monthly futures positions taken through delivery.

The new delivery fee is applied to the clearing firm’s deliveries for all monthly expiring product positions. Weekly expiring products taken to delivery are not subject to delivery fees. See the below table for a summary of which products are subject to OneChicago’s new delivery fee:

Product Suite	Listing Cycle	Delivery Fee
Traditional (TRA)	Monthly	Yes
NoDivRisk (NDR)	Monthly	Yes
NoDivRisk (NDR)	Weekly	No

Delivery Fee Rate

The delivery fee rate can be found at www.onechicago.com. Delivery fees are calculated by multiplying the notional value of each position taken to delivery by the current delivery fee rate. The new delivery fee rate as of March 1, 2017, is \$5.00/Million (0.0005%).

Carry Fees

Current Carry Fee System

The current OneChicago carry fee system takes the total open interest (“OI”) of a clearing firm (both short and long positions) to calculate the notional value of a clearing firm’s daily position. Then, the total notional value is multiplied by \$1.00/Million (0.00010%) for Traditional (“TRA”) products and \$1.60/Million (0.00016%) for NoDivRisk (“NDR”) products to determine the applicable carry fee for each clearing firm.

New Carry Fee System

Unlike the current carry fee system which charges a flat rate regardless of the notional value of the position, the new tiered carry fee system allows registered LTR account numbers to receive reduced fee rates for positions at or above each notional value tier level. While the old carry fee system billed TRA and NDR products at different carry fee rates, the new carry fee system bills all products at the same carry fee rate based on the tiers below. The new tiered carry fee rates are as follows:

New Carry Fee Tier Levels

Tier	From	To	Fee Rate	Maximum Fee
1	\$0	\$250 million	\$1.60/Million (0.00016%)	\$400
2	\$250 million	\$500 million	\$1.40/Million (0.00014%)	\$350
3	\$500 million	\$750 million	\$1.20/Million (0.00012%)	\$300
4	\$750 million	\$1 billion	\$1.00/Million (0.00010%)	\$250
5	\$1 billion	-	\$0.80/Million (0.00008%)	-

Large Trader Account Registration

Customers who wish to receive the benefit of the tiered rates are required to register with OneChicago by completing the Carry Fee Registration Form, which can be found at www.onechicago.com. Customers must provide their Reporting Firm name, LTR account number, and the OCC clearing firm number of their clearing firm. Customers should be aware that positions are not aggregated across multiple clearing firms for purposes of calculating carry fees. Clearing firms are also required to confirm that the clearing firm does, in fact, carry that customer’s OneChicago positions.

The following link provides an example of how the new delivery fees and tiered carry fee program are applied: [OneChicago Product Fees Calculation Examples](#).

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Any questions regarding this NTM can be directed to operations@onechicago.com.