

July 28, 2023

Calculation Methodology for Fees

Fees	2
Maker - Taker model (FM Marketplace)	2
B.1 Taker fee	2
B.2 Maker fee	3
B.3 Trading turnover	3
Master - Sub-account model (FM Liquidity Match)	4
C. The master account functions as a representative for the purpose of fee payment	4
C.1 Turnover fee	4
C.2 Other fees	5
C.3 Aggregated trading turnover	5
D. The sub-accounts act as representatives for the purpose of fee payment	7
D.1 Taker fee for sub-accounts	7
D.2 Maker fee for a User account and it sub-accounts	7
D.3 Trading turnover	8
Inter-dealer trades	9

Fees

- a. The License fee, as defined herein, shall constitute a sum of fees charged by Finery Markets for the provision of services to User, to be paid on a monthly basis, in accordance with the Terms and Conditions, Operating rules and Tariff Policy.
- b. All types of License fees charged by Finery Markets must be clearly communicated to a User before any services are rendered:

Maker - Taker model (FM Marketplace)

B.1 Taker fee

B.1.1 Turnover fee

The turnover fee rate is determined based on a tiered system, which assigns a User to a specific tier based on the trading turnover of a User in the calendar month. The turnover fee is applicable to all trades made by a User, except for inter-dealer trades, which are outlined in Table 1 under "Types of Trading" (see [FAQ section](#)). An inter-dealer turnover fee is applicable to inter-dealer trades made by a User, as specified in Table 1 under "Types of Trading" (see [FAQ section](#)).

B.2.1 Other fees

API integration fee refers to a one-time fee that is charged by Finery Markets to provide technical support to a User with the API (Application Programming Interface) integration.

Consultancy fee refers to the compensation charged by Finery Markets for their

advisory services in relation to the use and implementation of their software for digital assets. This fee is charged on a project basis. The consultancy fee may vary based on factors such as the scope of services and duration of engagement

B.2 Maker fee

B.2.1 Turnover fee

The turnover fee rate remains constant and is calculated based on the trading turnover of a User during the calendar month.

The turnover fee is applicable to all trades made by a User, except for inter-dealer trades, which are outlined in Table 1 under "Types of Trading" ([see FAQ section](#)).

An inter-dealer turnover fee is applicable to inter-dealer trades made by a User, as specified in Table 1 under "Types of Trading" ([see FAQ section](#)).

B.2.2 Other fees

A **mark-up fee** shall be assessed on a per-usage basis for those Users who utilize the mark-up feature. Finery Markets may charge a fee as a percentage of the mark-ups charged by Users.

Overnight (roll-over) fees refer to the charges incurred for maintaining an open position overnight. The calculation of these fees is based on the overnight rate applied by a User to the relevant instrument involved in the trade. Overnight Fees are calculated as net open (unsettled) positions multiplied by the overnight rate as defined in the Operating rules. Overnight fee should be calculated as a percentage of revenue derived from the roll-over (overnight) fees charged by Users.

B.3 Trading turnover

B.3.1 **Trading turnover** is calculated based on the formula below:

Trading turnover = $\sum_{a=1}^A (\sum_{t=1}^{T_a} P_t * S_t)$, where

A - the total number of unique currency pairs traded by a User during the calendar month

T_a - the total number of trades with the currency pair with index *a* made by a User during the calendar month

P_t - the price of the order with index t with currency pair with index a (including all User's markups applied), USD
 S_t - the size of the trade with index t , quantity

Markups are applied to prices in accordance the following algorithm:

$$P = P_{raw} * \prod_{m=1}^M (1 + MU_m), \text{ where}$$

P - the order price with all User's markups applied
 P_{raw} - the order price before applied markups
 M - the total number of available markups applicable to the particular trades
 MU_m - the markup with index m , decimal number

Example. a User made trades with 2 currency pairs, e.g. BTC / USDC and ETH / USDC.
 Over a calendar month a User conducted the following transactions:

Trade	Currency pair	Price (P_{raw})	Size (S)	Applied mark-ups (MU)
1	BTC / USDC	10000	1	$MU1 = 0.0001$ $MU2 = 0.0002$
2	BTC / USDC	15000	2	$MU1 = 0.0001$ $MU2 = 0.0002$
3	ETH / USDC	2000	5	$MU1 = 0.0005$
4	ETH / USDC	4000	10	$MU1 = 0.0004$

$$\text{Trading turnover} = 1 * 10\,000 * (1.0001) * (1.0002) + 2 * 15\,000 * (1.0001) * (1.0002) + 5 * 2\,000 * (1.0005) + 10 * 4\,000 * (1.0004)$$

Master - Sub-account model (FM Liquidity Match)

C. The master account functions as a representative for the purpose of fee payment

C.1 Turnover fee

The turnover fee is determined based on a tiered system, which assigns a User to a specific tier based on the aggregated trading turnover of a User and its

sub-accounts in the calendar month.

The turnover fee is applicable to all trades made by a User and their sub-accounts, except for inter-dealer trades, which are outlined in Table 1 under "Types of Trading" ([see FAQ section](#)).

An inter-dealer turnover fee is applicable to inter-dealer trades made by a User and its sub-accounts, as specified in Table 1 under "Types of Trading" ([see FAQ section](#)).

C.2 Other fees

API integration fee refers to a one-time fee that is charged by Finery Markets to provide technical support to a User with the API (Application Programming Interface) integration.

A **whitelabel fee** is charged for a process that enables users to use Finery Markets' front-end interface labeled as their own.

A **mark-up fee** shall be assessed on a per-usage basis for those Users who utilize the mark-up feature. Finery Markets may charge a fee as a percentage of the mark-ups charged by Users.

Overnight (roll-over) fees refer to the charges incurred for maintaining an open position overnight. The calculation of these fees is based on the overnight rate applied by a User to the relevant instrument involved in the trade. Overnight Fees are calculated as net open (unsettled) positions multiplied by the overnight rate as defined in the Operating rules. Overnight fee should be calculated as a percentage of revenue derived from the roll-over (overnight) fees charged by Users.

Consultancy fee refers to the compensation charged by Finery Markets for their advisory services in relation to the use and implementation of their software for digital assets. This fee is charged on a project basis. The consultancy fee may vary based on factors such as the scope of services and duration of engagement

C.4.3 Finery Markets determines the User's tier monthly based on the User's and its subaccount's aggregated trading volumes for the calendar month, starting from the date of the initial transaction in the production environment.

The Turnover fee rate shall be implemented based on the User's tier starting from the date of the initial transaction conducted by a User's Master account or its sub-accounts in the production environment, with the exception of test transactions.

C.3 Aggregated trading turnover

C.3.1. Aggregated trading turnover is calculated based on the formula below:

Aggregated trading turnover = $\sum_{a=1}^A (\sum_{t=1}^{Ta} Pt * St)$, where

A - the total number of unique currency pairs traded by a User and its sub-accounts during the month

Ta - the total number of trades with the currency pair with index a made by a User and its sub-accounts during the month

Pt - the price of the order with index t with currency pair with index a (including all User's markups applied), USD

St - the size of the trade with index t, quantity

Markups are applied to prices in accordance the following algorithm:

$P = Praw * \prod_{m=1}^M (1 + MU_m)$, where

P - the order price with all User's markups applied

Praw - the order price before applied markups

M - the total number of available markups applicable to the particular trades

MUm - the markup with index m, decimal number

Note. If a trade is made between sub-accounts of the same User or between User and its subaccounts, it shall be included as a single trade into the aggregated turnover, so the trading turnover is only counted once.

Example. a User and its sub-accounts made trades with 2 currency pairs, e.g. BTC / USDC and ETH / USDC. Over a calendar month a User and its sub-accounts conducted the following transactions:

Trade	Currency pair	Price (Praw)	Size (S)	Applied mark-ups (MU)
1	BTC / USDC	10000	1	MU1= 0.0001 MU2 =0.0002
2	BTC / USDC	15000	2	MU1= 0.0001 MU2 =0.0002
3	ETH / USDC	2000	5	MU1 = 0.0005
4	ETH / USDC	4000	10	MU1 = 0.0004

*Aggregated trading turnover = 1 * 10 000 * (1.0001) * (1.0002) + 2 * 15000 * (1.0001) * (1.0002) + 5 * 2000 * (1.0005) + 10 * 4000 * (1.0004)*

C.4 In order to be eligible for the determination of Master tiers, the trading turnover between the counterparties, one of which is User's master account or its sub-account will be considered (see [FAQ section](#)).

D. The sub-accounts act as representatives for the purpose of fee payment

D.1 Taker fee for sub-accounts

B.1.1 Turnover fee

The turnover fee rate is determined based on a tiered system, which assigns a sub-account of a User to a specific tier based on the trading turnover of a sub-account of a User in the calendar month.

The turnover fee is applicable to all trades made by a sub-account of a User, except for inter-dealer trades, which are outlined in Table 1 under "Types of Trading" (see [FAQ section](#)).

An inter-dealer turnover fee is applicable to inter-dealer trades made by a User, as specified in Table 1 under "Types of Trading" (see [FAQ section](#)).

B.2.1 Other fees

API integration fee refers to a one-time fee that is charged by Finery Markets to provide technical support to a User with the API (Application Programming Interface) integration.

Consultancy fee refers to the compensation charged by Finery Markets for their advisory services in relation to the use and implementation of their software for digital assets. This fee is charged on a project basis. The consultancy fee may vary based on factors such as the scope of services and duration of engagement

D.2 Maker fee for a User account and its sub-accounts

D.2.1 Turnover fee

The turnover fee rate remains constant and is calculated based on the trading turnover of a User and its sub-accounts during the calendar month. Each sub-account shall bear the responsibility of covering the turnover fee associated with its respective trading turnover, whereas the User shall be accountable for paying the turnover fee pertaining to their trading turnover.

The turnover fee is applicable to all trades made by a User or a sub-account of a User, except for inter-dealer trades, which are outlined in Table 1 under "Types of Trading" (see [FAQ section](#)).

An inter-dealer turnover fee is applicable to inter-dealer trades made by a User, as specified in Table 1 under "Types of Trading" (see [FAQ section](#)).

D.2.2 Other fees

A **mark-up fee** shall be assessed on a per-usage basis for those Users who utilize the mark-up feature. Finery Markets may charge a fee as a percentage of the mark-ups charged by Users.

Overnight (roll-over) fees refer to the charges incurred for maintaining an open position overnight. The calculation of these fees is based on the overnight rate applied by a User to the relevant instrument involved in the trade. Overnight Fees are calculated as net open (unsettled) positions multiplied by the overnight rate as defined in the Operating rules. Overnight fee should be calculated as a percentage of revenue derived from the roll-over (overnight) fees charged by Users.

D.3 Trading turnover

D.3.1 **Trading turnover of a User and a sub-account** of a User is calculated based on the formula below:

$$\text{Trading turnover} = \sum_{a=1}^A (\sum_{t=1}^{Ta} P_t * S_t), \text{ where}$$

A - the total number of unique currency pairs traded by a User or a sub-account during the calendar month

Ta - the total number of trades with the currency pair with index a made by a User or a sub-account during the calendar month

Pt - the price of the order with index t with currency pair with index a (including all User's markups applied), USD

St - the size of the trade with index t, quantity

Markups are applied to prices in accordance the following algorithm:

$$P = P_{raw} * \prod_{m=1}^M (1 + MU_m), \text{ where}$$

P - the order price with all User's or sub-account's markups applied

Praw - the order price before applied markups

M - the total number of available markups applicable to the particular trades

MU_m - the markup with index m , decimal number

Example. a User or a sub-account made trades with 2 currency pairs, e.g. BTC / USDC and ETH / USDC. Over a calendar month a User conducted the following transactions:

Trade	Currency pair	Price (P_{raw})	Size (S)	Applied mark-ups (MU)
1	BTC / USDC	10000	1	MU1= 0.0001 MU2 =0.0002
2	BTC / USDC	15000	2	MU1= 0.0001 MU2 =0.0002
3	ETH / USDC	2000	5	MU1 = 0.0005
4	ETH / USDC	4000	10	MU1 = 0.0004

Trading turnover = $1 * 10\,000 * (1.0001) * (1.0002) + 2 * 15000 * (1.0001) * (1.0002) + 5 * 2000 * (1.0005) + 10 * 4000 * (1.0004)$

Inter-dealer trades

Inter-dealer trades refer to trades made between Users who act as Makers on the Finery Markets platform. In other words, these trades occur between two liquidity providers, where one User acts as the Taker (who would otherwise be a Maker) and the other User acts as a Maker through either a Maker/sub-maker account or a Master account, as specified in Table 1 "Types of Trading" (see [FAQ section](#)).

Inter-dealer turnover fee is applicable to all inter-dealer trades under both Maker - Taker (FM Marketplace) and Master-subaccount (FM Liquidity Match) models.

Users acting as makers in the inter-dealer trade on the Finery Markets platform are solely responsible for the payment of the inter-dealer turnover fee applicable to all inter-dealer trades.

F. Other

f. Finery Markets reserves the right to change the fees at its sole discretion with at least 14 days advance notice to a User.

