

Clearing Member Assessments

miax
Futures™

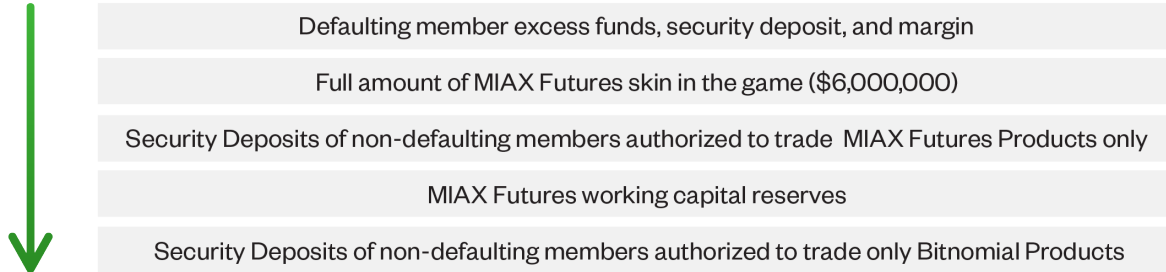
Assessments

What are Assessments and when do they apply?

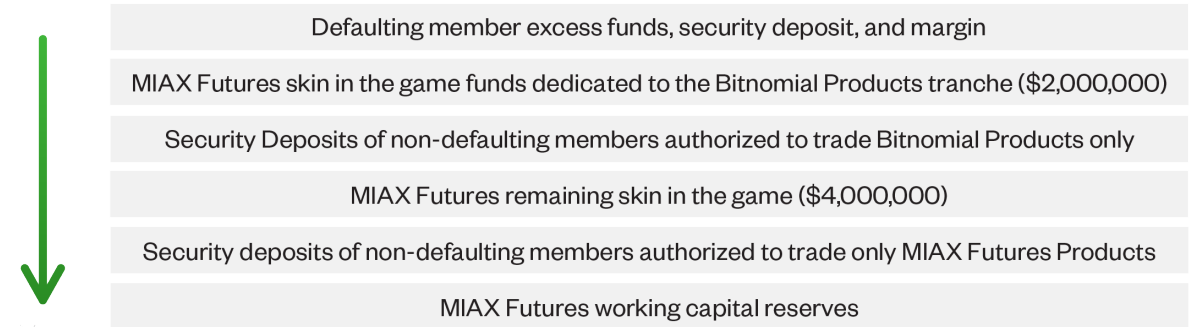
- Assessments, found in **MIAX Futures Rule 2110.00.**, are a form of recovery tool available to MIAX Futures in the event of a Clearing Member Default or Defaults.
- Assessments only apply after funds have been exhausted in accordance with the default waterfalls described in **MIAX Futures Rule 2109.03.**
- The balance of any losses remaining after applying the default waterfall shall be assessed against Clearing Members (excluding any involvement or defaulting Clearing Members) in direct proportion to the Clearing Members' total security deposit requirement for that tranche.
- A Clearing Member that has provided the maximum assessment amount in respect of a Cooling Off Period pursuant to **MIAX Futures Rule 2110.00.** shall not be liable for any further assessment contributions in respect of any default(s) occurring or declared during such Cooling Off Period.

Default Waterfalls (MIAX Futures Rule 2109.03.)

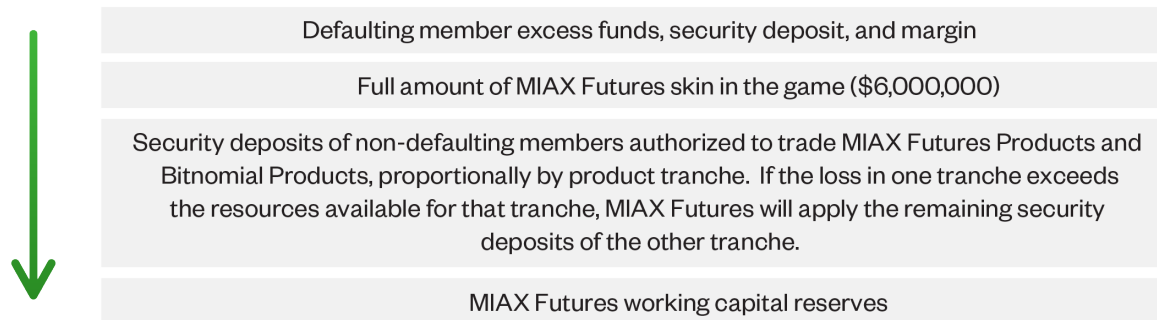
MIAX Futures Products Only Member Default



Bitnomial Products Only Member Default

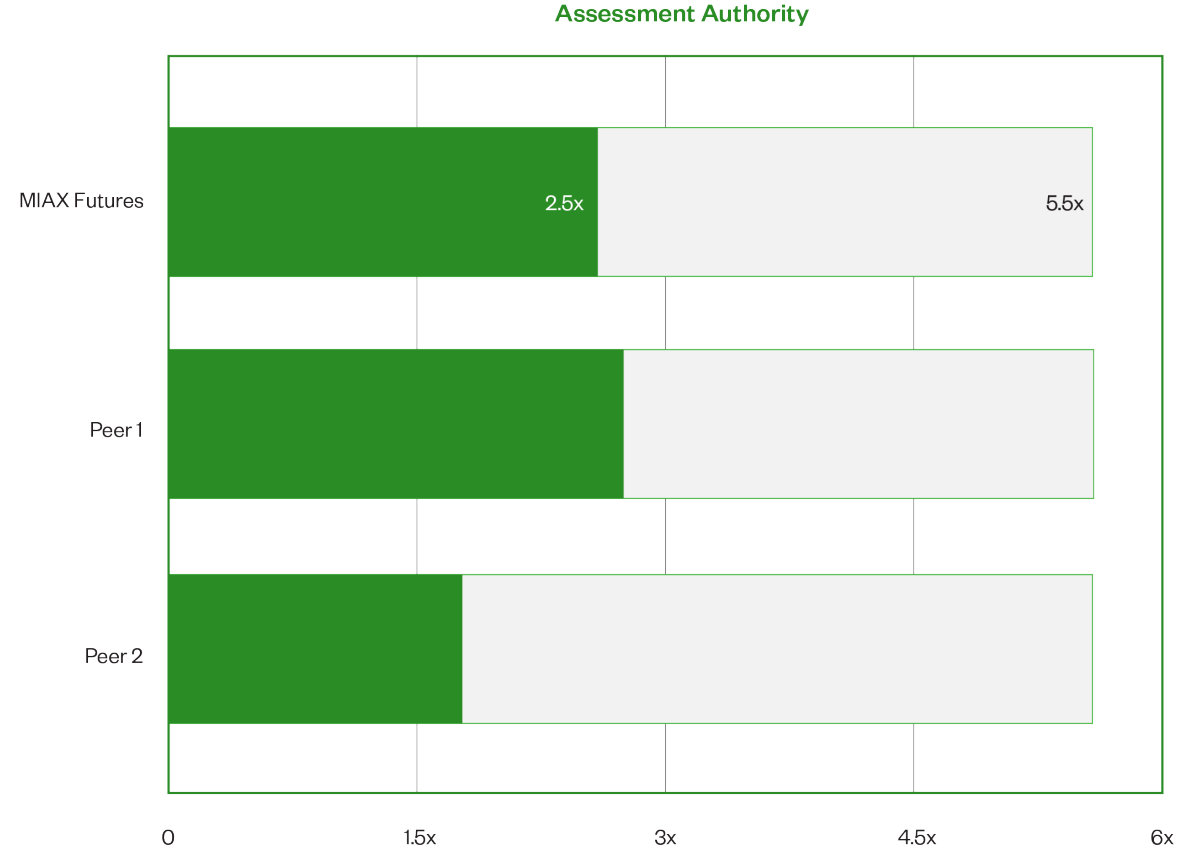


MIAX Futures Products + Bitnomial Products Member Default



Assessment Authority (MIAX Futures 2110.00.)

- Each member is subject to an assessment up to 2.5 times the member's total security deposit at the time of default for one default.
- If multiple defaults occur within a pre-defined period, each member is subject to assessments up to 5.5 times the member's total security deposit.
- MIAX Futures' assessment authority is currently comparable with other Derivatives Clearing Organizations.



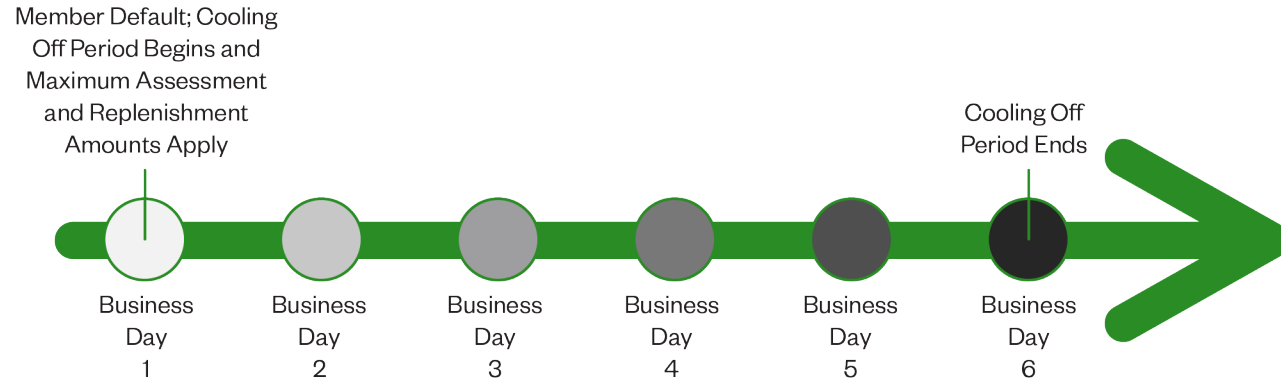
Assessment of member's total security deposit

■ Assessment Authority for One Default

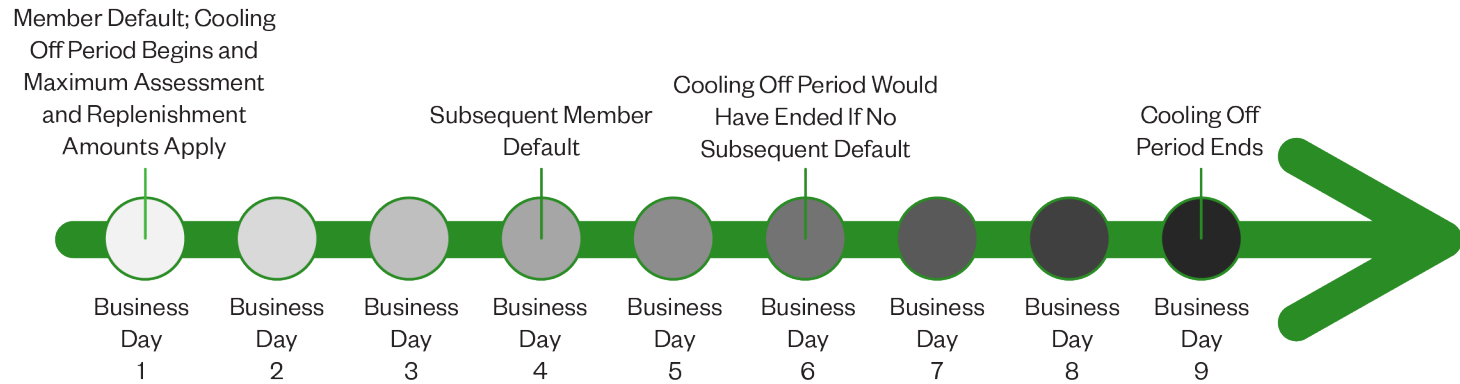
■ Assessment Authority for Multiple Defaults in One Cooling Off Period

Cooling Off Period and Multiple Defaults

Single Member Default



Multiple Member Default



Paying Assessments (MIAX Futures Rule 2110.00.)

- Each Clearing Member shall pay any assessments made by wire or other method acceptable to MIAX Futures within two (2) hours of the notice of the assessment being delivered.
- If wire transfer service is not open or operational at the time of notice, payment is due within one (1) hour on the next business day that the wire transfer service is open and operations.
- Any Clearing Member that does not satisfy an assessment shall be in default.
- If the amount of assessments received exceeds the amount of the Loss, the Clearing House will return such excess funds as soon as practicable.