

# ISWAP UK MTF Fee Structures and Incentives

*Applicable from 1 February 2022*

---

# Contents

---

<b>INTRODUCTION</b>	<b>3</b>
1.1. General	3
1.2. Execution Fees	3
1.3. Discounts/Incentives	3
1.4. Co-Location	3
<b>ISWAP UK MTF</b>	Error! Bookmark not defined.
1.5. Tradable Instruments	4
1.6. Access Fees	5
1.7. Execution Fees	6
1.8. Discount Structure	7
1.9. GBP Order Book Market Maker Programme	8

---

## INTRODUCTION

---

### 1.1. General

The fees payable by a Venue User will be calculated monthly in arrears and are payable upon presentation of an invoice. For further details on payment of fees please refer to the iSwap Euro Limited Terms of business on our website: <https://tpicap.com/tpicap/regulatory-hub/iswap-uk-mtf>

Venue Users are responsible for the payment of any applicable taxes and charges of any public agency or authority, including without limitation any financial transactions tax or value added tax.

---

### 1.2. Execution Fees

Transactions arranged within the venue will be subject to an execution fee, as specified for the relevant product in the accompanying Appendix for each market segment of the Venue.

---

### 1.3. Discounts/Incentives

If the execution fees incurred by a Venue User exceed the discount thresholds specified for the relevant product in Appendix 1, then the discounts shown shall be applied to the execution fees payable by the Venue User in the relevant month.

---

### 1.4. Co-Location

Operator has outsourced the hosting of its servers to Equinix UK. The ISWAP UK MTF does not offer co-location services to platform Participants

---

## ISWAP UK MTF

---

### 1.5. Tradable Instruments

Trading is permitted in the IRD Segment in the following Tradable Instruments:

Financial Instruments	Parameters
Overnight Index Swap	Overnight Index Swaps

Trading is permitted in the IRD Segment in the following types of Transactions (including Package Transactions):

Transaction Types	Parameters (where applicable)
Outright	A Transaction in a single interest rate instrument from the list of Tradable Instruments above (" <b>Interest Rate Products</b> ")
Curve Spread	A Transaction in two Interest Rate Products of differing tenors
Butterfly	A Transaction in three Interest Rate Products of differing tenors
Interest Rate Swap & Future Strategies	An interest Rate Product transacted as a package with a futures instrument transaction

### 1.6. Access Fees

Category	Monthly Fee	Eligible Products	Additional Information
Member Participant - iSwap Front End GUI User	N/A	All electronic products	Entitles access for up to 15 Authorised Traders through the iSwap Front End GUI.
Member Participant - Application Programming Interface ("API") access for the purposes of Trade Straight Through Processing	N/A	All electronic products	Connection via an API for the purposes of Trade Straight Through Processing.  Entitles up to 5 of Authorised STP logins within a Member Participant.
Member Participant - Application Programming Interface ("API") Full Usage excluding right to derive from data for GBP market	N/A	GBP electronic products	Connection via an API. Usage of data is subject to iSwap Euro Limited Market Data Licence. Under this agreement, data from the API may be aggregated. However, it may not be used to create Derived data, except for the purposes of trading on the ISWAP UK MTF platform. For a full description please see Market Data Licence  Entitles up to 20 Authorised Traders within a Member Participant.
Broker Participant - Application Programming Interface ("API") Orderbook access, Full Usage including right to derive from data	N/A	All electronic orderbook products	Connection via an API. Usage of data is subject to iSwap Euro Limited Market Data Licence (Derive from API data). Under this agreement, data from the API may be aggregated and used to create Derived data for redistribution internally to authorised Broker Participant users. Data may also be commingled with data from other sources. For a full description please see Market Data Licence.  Broker Participant will invoice their side of the ISWAP UK MTF venue trade at the voice rate agreed bilaterally with the Member Participant and keep any such revenues. Fee entitles access for up to 50 active Authorised Brokers through the iSwap Front End GUI. Fee rebate of 20% of gross iSwap electronic transaction revenues on Broker Participant trades accrued on the pure electronic side of such trades. An additional one-time technology set up fee may be applicable for on-boarding of the Broker Participant based on a time and materials basis. Minimum broker participation period 1 year

### 1.7. Execution Fees

Product	Currency	Business Rate	Measure	Trade Execution Fee Calculation Methodology
OVERNIGHT INDEX SWAP – Orderbook Market	GBP	0.0003	% pa	Brokerage will be charged at the headline rate. Calculation method for Spread and Butterfly trades detailed below.
OVERNIGHT INDEX SWAP - Orderbook Market Future Yield Spread instrument	GBP	0.00015	% pa	Brokerage will be charged at the headline rate.
<b>Trade Execution Fees for Strategy Trades (Note C)</b>				
<b>Spread Trades</b>				
Pay on the lower notional on the gap using the standard IRS Rate				
Bro Rate	Headline IRS RATE as detailed above			
Amount	Longer Duration Leg Notional			
Swap Rate	Longer Duration Leg			
Tenor	Gap Between Near/Far			
NPV	No NPV			
<b>Butterfly Trades</b>				
Butterflies will be charged at the sum of two spreads (using ½ the notional of the body for consideration in each spread)				

### 1.8. Discount Structure

Monthly GBP discount is applied based upon the following thresholds, with the 10 year equivalent notional of each trade considered. This will include all legs of Spreads and Butterflies. The Rate Floor for Futures Yield Spread Instrument is 0.00015% p.a

Threshold	Discount	Equivalent Rate
£ 0 – 500,000,000 <i>10 year equivalent notional traded</i>	No Discount	0.00030% p.a.
£500,000,001- 1,000,000,000 <i>10 year equivalent notional traded</i>	17% Discount	0.00025% p.a.
> £1,000,000,000 <i>10 year equivalent notional traded</i>	33% Discount This will be the discount floor	0.00020% p.a.

## 1.9. GBP Order Book Market Maker Programme

Market Maker Programme	Programme Instrument	Bid/Offer spread (b.p)	Size (longer leg of spread)	Discount
<b>GBP Market Maker Programme 1 (GMMP1)</b>				<b>100% (0.0% pa) on all Direct GBP OVERNIGHT INDEX SWAP Transactions &lt;= 1Y maturity</b>
	A-GBPOIS 1M	1.0bp	500m	
	A-GBPOIS 3M	1.0bp	300m	
	A-GBPOIS 6M	1.0bp	150m	
<b>GBP Market Maker Programme 2 (GMMP2)</b>				<b>50% (0.00015%) discount on all direct GBP OVERNIGHT INDEX SWAP Transactions &gt; 1Y Maturity **</b>
	A-GBPOIS 2Y	1.0bp	50m	
	A-GBPOIS 5Y	1.0bp	20m	
	A-GBPOIS 10Y	1.0bp	10m	
	A-GBPOIS 10Y Spot soft***	1.0bp	10m	
	A-GBPOIS 10Y-30Y.sp	1.5bp	5m	

Market Makers may sign up to either or both the available GBP Market Making Programmes: GMMP1 or GMMP2.

Programme Instruments starting with A-GBPOIS refer to GBP swaps vs SONIA

A Market Maker will be deemed to have met the qualifying Bid/Offer spread for any Programme Instrument if either its Bid or Offer is at the best price level, so long as the aggregate iSwap orderbook Bid/Offer spread in the Programme instrument at that time is no greater than the qualifying Bid/Offer Spread.

All Orders in Programme Instruments for the relevant GBP Market Maker Programme can be given automatic One Cancels Other (OCO) protection. Alternatively, a Market Maker can manage this themselves.

A Participant will not qualify as compliant with the Programme Eligibility Criteria if utilising an algorithmic "follow" routine which largely applies a simple arithmetical spread to the existing aggregate bid offer values available on the Programme Instruments, in order to achieve programme compliance.

Monitored Trading Day is 9am – 4:15pm UK time.

Market Makers shall provide the Order Book with an Executable Price Stream for at least 70% of the Monitored Trading Day, averaged over each calendar month.