

# Maker-taker fees

## MAKER-TAKER

Crypto venues charge by whether an order makes liquidity (a resting limit order, cheaper or occasionally rebated) or takes it (a market order crossing the book, dearer). The fee is a percentage of trade value, tiered by volume, and paid on both legs - so a round trip's cost is the two fees plus the spread, and the maker-taker split is a real, controllable line rather than a fixed toll.

The equities track priced commissions and the free-that-isn't. Crypto's fee model is more explicit and more controllable: it charges you differently for adding liquidity than for demanding it.

## The two sides of the fee

Taker: a market order crosses the book and takes liquidity - the dearer fee, a percentage of trade value; the price of immediacy, paid for certainty of fill. Maker: a resting limit order adds liquidity and waits - the cheaper fee, sometimes a rebate on some venues; the price of patience, paid in the risk of not filling. Both legs pay: entry and exit each carry a fee, so the round-trip cost is two fees plus the spread crossed - a 0.1% taker fee round trip on a £20,000 trade is £40 before the spread.

## The volume tiers

Fees fall with trading volume on most venues - the active trader pays materially less per trade than the occasional one, the platform's flat-versus-scaled cost story inverted into a volume discount. The consequence for a plan: the fee rate is not a constant to look up once but a function of the account's own activity, and a high-frequency crypto rule's real fee tier differs from its backtest's assumed one unless the test modelled the tier - module 6's concern, flagged here.

## The controllable line

Unlike a fixed commission, the maker-taker split is a choice: patient rules that rest limit orders pay the maker fee and sometimes earn the rebate; urgent rules that cross the book pay the taker fee every time. The saving is real and compounding at frequency - but it is bought with fill uncertainty, the limit order's standing risk from the equities track. The habit: know the venue's maker and taker rates and your volume tier, cost trades at the side actually used, and treat the maker-taker choice as the execution decision it is - the first crypto cost, and the one most within the trader's control.

## Check your understanding

## **1. What distinguishes a maker fee from a taker fee?**

- a. Makers trade larger sizes
- b. A maker adds liquidity with a resting limit order (cheaper, sometimes rebated); a taker crosses the book with a market order (dearer) - the price of patience versus immediacy
- c. Makers pay on one leg only

Answer: b. The split prices immediacy against patience, and it is controllable: resting orders pay less at the cost of fill uncertainty. Both legs pay, so the round trip is two fees plus spread.

## **2. Why is a crypto fee rate not a constant to look up once?**

- a. Rates change hourly
- b. Fees tier with the account's own volume - so the real rate is a function of activity, and a rule's live tier can differ from its backtest's assumed one
- c. Each trade is priced individually

Answer: b. The volume discount makes the rate account-dependent. Module 6 must model the tier, or a high-frequency rule tests against a fee it will not actually pay.