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June 10, 2022

By Email

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
secretarys-office@sec.gov

Re: In the Matter of the Application for Review of BOX Holdings Group LLC, BOX Options Market LLC, and Luc Bertrand
Administrative Proceeding No. 3-20860 (Filed May 16, 2022)

Dear Ms. Countryman:

We are counsel to BOX Exchange LLC (“BOX Exchange”). We write in response to the procedurally improper letter-brief filed by BOX Holdings Group LLC (“BOX Holdings”), BOX Options Market LLC (“BOX Market”), and Luc Bertrand (collectively, the “Applicants”), to supplement the purported “application” in the above-captioned matter (the “Filing”).

Although procedurally improper, the Applicants’ supplemental letter-brief is arguably helpful in one respect. It provides still further confirmation that Section 19(d) of the Securities Exchange Act (“Exchange Act”) does not authorize the Commission to exercise jurisdiction over the Filing.

As an initial matter, the Filing failed to identify any basis for the Commission to exercise its jurisdiction under Exchange Act Section 19(d) and Rule 19d-3. In lieu of certifying and filing the record as would be required under SEC Rule of Practice 420(e) upon the filing of a proper application for review, we filed a letter on May 31, 2022 (the “May 31 Letter”). There, we explained the reasons why “the actions complained of [in the Filing] do not fall within the categories of actions that the Commission is authorized to review under Section 19(d) of the Exchange Act.” May 31 Letter at 3. Those reasons include the fact, fully conceded by Applicants, that “BOX Exchange did not take any action against a member, participant, or person associated with a member.” May 31 Letter at 2. The Commission’s precedents confirm that where an SRO’s action is not directed at a member, participant, or person associated with a member, the Commission lacks jurisdiction to review that action under Section 19(d). *See Alpine Sec. Corp. & Scottsdale Capital Advisors Corp.*, Exchange Act Release No. 89685, 2020 WL

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5076741, at *2 (Aug. 26, 2020); *Eric David Wanger*, Exchange Act Release No. 79008, 2016 WL 5571629, at *3 (Sept. 30, 2016).

Applicants' letter-brief does not dispute any of that. Indeed, it does not cite Exchange Act Section 19(d) or Rule 19d-3 even once. To the extent Applicants now contend that the Commission can exercise jurisdiction under some authority *other* than Section 19(d) or Rule 19d-3—which was the only basis asserted in the Filing—that argument is foreclosed by the plain text of the statute and by the Commission precedents identified above. There is thus no need for briefing on jurisdiction—let alone on the merits of Applicants' claims, which, again, the Commission lacks jurisdiction to address. *See* SEC Rule of Practice 421(b) [17 C.F.R. § 201.421(b)] (noting that supplemental briefing is proper when “such briefing would significantly aid the decisional process”).

The Commission's lack of jurisdiction does not leave Applicants without an available venue. The parties' Facility Agreement includes a provision that expressly “governs any dispute, disagreement, claim and/or controversy [] among the Parties arising out of or relating to this Agreement, or breach thereof,” and lays out a carefully reticulated set of dispute-resolution procedures, culminating in binding arbitration before a panel of AAA-appointed arbitrators. “[J]udgment on the award of the arbitrator(s) may be rendered in any court having jurisdiction thereof.” *See* Facility Agmt. § 19 (May 10, 2012).

For the Commission's purposes, the key point is that the actions complained of by the Applicants in their Filing are not reviewable under Exchange Act Section 19(d) and Rule 19d-3. Thus, the Filing is invalid and should be rejected.

Sincerely,

/s/ David S. Petron

David S. Petron

cc (via email):

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CERTIFICATE OF SERVICE

I hereby certify that on June 10, 2022, I caused a true and correct copy of the foregoing to be electronically filed using the Commission's Electronic Filings in Administrative Proceedings (eFAP) system. I further certify that I caused a true and correct copy of the foregoing to be served by electronic mail on the following:

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