SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-106939; File No. SR-BOX-2026-24]

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Establish a Minimum Eligible Order Size for Single-Leg Qualified Open Outcry Orders

November 19, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on November 9, 2026, BOX Exchange LLC (the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to establish Rule 7600(a)(6) to provide a minimum eligible order size for single-leg Qualified Open Outcry Orders. The text of the proposed rule change is available from the principal office of the Exchange, and also on the Exchange's Internet website at https://rules.boxexchange.com/rulefilings.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend Rule 7600 (Qualified Open Outcry Orders – Floor Crossing) to add a minimum eligible order size for Qualified Open Outcry ("QOO") Orders.[3] Specifically, the Exchange is proposing to establish Rule 7600(a)(6) to provide a minimum eligible order size for single-leg QOO Orders of 20 contracts. Single-leg QOO Orders for less than 20 contracts shall be rejected by the system under the proposed rule.

Today, BOX Participants may submit orders for execution on the Trading Floor pursuant to the procedures outlined in Rule 7600. Under Rule 7600, orders on the Trading Floor, after being announced to the trading crowd, are submitted by the Floor Broker as part of a QOO Order for execution. QOO Orders may be submitted as single-leg, Complex, or multi-leg orders.[4] QOO Orders are limited solely to the Trading Floor and only Floor Brokers may submit QOO Orders.[5] Currently, there is no minimum eligible order size requirement for QOO Orders.

Now, the Exchange is proposing to amend Rule 7600 to include the concept of a minimum eligible order size for QOO Orders. Under the proposed change, the Exchange is establishing a minimum eligible order size for single-leg QOO Orders only. The minimum eligible order size for single-leg QOO Orders shall be 20 contracts. Single-leg QOO Orders for

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3 See Rule 7600. A QOO Order is a two-sided order submitted by Floor Brokers on the Trading Floor to the Trading Host after it is announced to the trading crowd.

4 See Rule 7600(a)(4).

5 See Rule 7600(a)(2) and (3).

less than 20 contracts shall be rejected by the system. The Exchange notes that for orders under the minimum eligible order size, Floor Participants would still be able to submit these orders to the Exchange for execution via electronic methods (e.g., BOX Book[6] or Price Improvement Period ("PIP")[7]).

The Exchange believes that establishing the proposed minimum eligible order size will help to ensure that the Exchange continues to have the available resources to facilitate Trading Floor activity and oversee the Trading Floor, generally. The Exchange believes that setting a minimum eligible order size will curtail excessive smaller order activity on the Trading Floor that has the effect of disproportionately taxing the Exchange's resources, as no exchange has unlimited capacity. Additionally, the Exchange believes that, at times, excessive smaller order activity can become disruptive as the scale of these orders in their totality may interfere with the orderly operations on the Trading Floor. Specifically, since all orders on the Trading Floor must be announced and certified by an Options Exchange Official,[8] all orders on the Trading Floor, regardless of their size, impose a comparable per-order burden on Exchange resources. When this is considered with the fact that these smaller sized orders are submitted with a higher frequency as compared to other orders on the Trading Floor, the Exchange believes these smaller sized orders in their totality can become overly burdensome to the Exchange's Trading Floor.

Therefore, the Exchange believes that the proposed rule change will assist the Exchange in the efficient allocation of resources applicable to overseeing and monitoring activity on the Trading Floor. The Exchange believes that setting a minimum order size for single-leg QOO

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6 The term "Central Order Book" or "BOX Book" means the electronic book of orders on each single option series maintained by the BOX Trading Host. See Rule 100(a)(10).

7 See Rule 7150.

8 See Rule 7600(b).

Orders at 20 contracts is consistent with this goal given the Exchange's observations of past Trading Floor activity, which has shown that these smaller sized orders, when submitted with a high frequency, can disproportionately tax the Exchange's resources. Additionally, the Exchange believes that it is appropriate to only provide a minimum eligible order size for single-leg QOO Orders, but not multi-leg and Complex QOO Orders at this time, based on similar observations. Specifically, the Exchange has observed that the majority of smaller sized orders (orders under 20 contracts) on the Trading Floor are single-leg QOO Orders as compared to multi-leg and Complex QOO Orders.

The Exchange believes that it is appropriate to set a minimum order size for single-leg QOO Orders at 20 contracts to manage finite resources and accommodate overall demand on the Trading Floor by providing a means to efficiently deploy Exchange resources. Under Rule 7600, it is a requirement that an Options Exchange Official certify that each QOO Order is adequately announced to the trading crowd by the Floor Broker.[9] Therefore, the Exchange is required to manually certify that all QOO Orders executed on the Trading Floor are appropriately announced to the trading crowd. This certification is a manual process by the Floor Officials. Therefore, the Exchange believes that, at this time, it is appropriate to set a minimum eligible order size on the Trading Floor for single-leg QOO Orders to manage capacity and ensure that the Exchange is efficiently allocating its Trading Floor resources. The Exchange is ultimately looking to strike the right balance between curtailing certain smaller orders that disproportionally utilize Exchange resources without discouraging Floor Participants from utilizing the Trading Floor and the Exchange believes that setting a minimum eligible order size of 20 contracts for single-leg

[9] Id.

QOO Orders is a reasonable approach to satisfying this goal.[10] The Exchange is not proposing to implement a minimum eligible order size for multi-leg and Complex QOO Orders at this time, because, based on the observations of the Exchange, the Exchange believes it can achieve the goals stated above by only implementing the minimum eligible order size for single-leg QOO Orders. However, the Exchange will continue to monitor activity on the Trading Floor and, if the Exchange determines that excessive smaller size multi-leg and Complex QOO Orders on the Trading Floor are unreasonably taxing the Exchange's resources or leading to disruptive trading practices, the Exchange may propose implementing a minimum order size for multi-leg and Complex QOO Orders.[11]

The Exchange will provide notice prior to implementing the proposed minimum eligible order size for single-leg QOO Orders. Such implementation date will be communicated by the Exchange to Participants via Regulatory Notice.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[12] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[13] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing

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10 Although these smaller size orders under 20 contracts are voluminous, the total contracts of these orders make up a relatively small portion of the contracts traded on the Trading Floor.

11 Any such determination to expand the minimum eligible order size to cover multi-leg and Complex QOO Orders would not become effective until a rule change is filed with, or filed with and approved by, the Commission.

12 15 U.S.C. 78f(b).

13 15 U.S.C. 78f(b)(5).

information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[14] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed rule change will further the purposes of the Act by supporting the Exchange in regulating activity on the Trading Floor. The Exchange believes that allowing the Exchange to set a minimum eligible size for single-leg QOO Orders provides a means for balancing between providing a venue for orders to be executed while at the same time making sure that the Exchange continues to have the available resources to facilitate Trading Floor activity and oversee the Trading Floor, generally, which will assist with the maintenance of a fair and orderly market, promotes just and equitable principles of trade, and is designed to prevent fraudulent and manipulative acts and practices.

Additionally, the Exchange believes that the proposed rule change will further the purposes of the Act by providing an additional means for the Exchange to manage finite resources on the Trading Floor. Specifically, the Exchange believes that setting a minimum eligible order size will curtail excessive smaller order activity on the Trading Floor that has the effect of disproportionately taxing the Exchange's resources, as no exchange has unlimited capacity. Additionally, the Exchange believes that, at times, excessive smaller order activity can become disruptive as the scale of the orders in their totality may interfere with the orderly operations on the Trading Floor. Given the manual nature of certain obligations on the Trading Floor, setting a minimum eligible order size allows the Exchange to better manage capacity and

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[14] Id.

resources and, is designed to assist with the maintenance of a fair and orderly market, promotes just and equitable principles of trade, and is designed to prevent fraudulent and manipulative acts and practices, as it ensures that the Exchange is utilizing its Trading Floor resources in an effective and efficient manner.

As stated above, the Exchange has an obligation to certify the announcement of all orders on the Trading Floor and, therefore, it needs to ensure that the level of activity is manageable. The proposed change is designed to provide the Exchange with the means to more efficiently manage this requirement. As such, ensuring that the Exchange can adequately certify the announcement of all orders on the Trading Floor furthers the objectives of such requirement, which is generally designed to prevent fraudulent and manipulative acts and practices.

The Exchange believes it is reasonable and appropriate to implement a minimum eligible order size for single-leg QOO Orders at 20 contracts, and not multi-leg and Complex QOO Orders at this time, because, based on the observations of the Exchange, the Exchange believes it will help manage capacity and ensure that the Exchange is efficiently allocating its Trading Floor resources. As noted above, the Exchange has observed that the majority of smaller sized orders (orders under 20 contracts) on the Trading Floor are single-leg QOO Orders as compared to multi-leg and Complex QOO Orders. The Exchange is ultimately looking to strike the right balance between curtailing certain smaller orders that disproportionally utilize Exchange resources without discouraging Floor Participants from utilizing the Trading Floor. As such, the Exchange believes the proposed change is designed to promote just and equitable principles of trade. The Exchange believes this proposed change will lead to a more efficient and effective use of Exchange resources and overall operation of the Trading Floor. In addition, it will help ensure the Exchange is appropriately overseeing activity on the Trading Floor. As such, the Exchange

believes the proposed rule change is in the public interest, and therefore, consistent with the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is not intended to address competitive issues and instead is being proposed to assist with the maintenance of a fair and orderly market by providing the Exchange with support to efficiently manage the finite resources on the Trading Floor and assistance to prevent potentially disruptive trade practices.

Intramarket Competition. The Exchange believes the proposed rule change to amend Rule 7600 to permit the Exchange to establish a minimum eligible order size for single-leg QOO Orders would not place an unfair burden on intramarket competition because it is designed to encourage the efficient and rational use of the Exchange's finite resources and to accommodate the overall demand on the Trading Floor. The Exchange also notes that the proposed rule change will apply equally to all Floor Participants. Additionally, as noted above, for orders under the minimum order size, Floor Participants would still be able to submit these orders to the Exchange for execution via electronic methods.

Intermarket Competition. The Exchange believes the proposal would not place an unfair burden on intermarket competition as it is not intended to address any competitive issues but is instead designed solely to encourage the efficient use of the Exchange's resources on the Trading Floor. The Exchange believes that the proposal to permit the Exchange to establish a minimum eligible order size for single-leg QOO orders will help make sure that the Exchange continues to have the available resources to facilitate Trading Floor activity and oversee the Trading Floor, generally, which, in turn, will sustain the Exchange's overall competitiveness. The Exchange also notes that nothing prevents other options exchanges, as applicable, from proposing similar rules to

allow for the adoption of a minimum eligible order size for open outcry orders.

For the foregoing reasons, the Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange has neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[15] and Rule 19b-4(f)(6)[16] thereunder. Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[17] and Rule 19b-4(f)(6)[18] thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the

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15 15 U.S.C. 78s(b)(3)(A).

16 17 CFR 240.19b-4(f)(6).

17 15 U.S.C. 78s(b)(3)(A).

18 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Commission shall institute proceedings under Section 19(b)(2)(B) of the Act[19] to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include file number SR-BOX-2026-24 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-BOX-2026-24. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

[19] 15 U.S.C. 78s(b)(2(B).

All submissions should refer to file number SR-BOX-2026-24 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[20]

Vanessa A. Countryman,

Secretary.

[20] 17 CFR 200.30-3(a)(12).