SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-94780; File No. SR-BOX-2022-14)

April 22, 2022

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Reorganize Various Fees Within the Exchange Fee Schedule

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 April 8, 2022, 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 self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule from interested persons.

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

The Exchange proposes to reorganize various fees within the Exchange Fee Schedule. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission’s Public Reference Room and also on the Exchange’s Internet website at http://boxoptions.com.

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 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 reorganize various fees within the Exchange’s Fee Schedule. The reorganized Exchange Fee Schedule reflects the current fees, which remain unchanged.

The Exchange is proposing to organize the Exchange Fee Schedule by grouping certain fees together. Specifically, the Exchange is proposing that the fees that are not related to trading activity on a facility of the Exchange would be grouped together in the first three sections of the Exchange Fee Schedule. The first three sections of fees are not transactional based fees applicable to a facility of the Exchange, BOX Options Market, an options trading facility of the Exchange under 3(a)(2) of the Exchange Act. Following that, Sections IV-VII of the Exchange Fee Schedule will include fees that are specific to activity on the BOX Options Market (“BOX”). The last section, Section VIII, applies to billing generally, including aggregate billing and billing disputes. BSTX fees will be filed as a separate rule filing from this proposal.

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3 See Section I (Participant Fees), Section II (Regulatory Fees), and Section III (Technology Fees).

4 BOX is currently the only facility of the Exchange that is actively trading. The rules for the Exchange’s other proposed facility, BSTX LLC, were recently approved by the SEC (See Securities Exchange Act Release No. 94092 (January 27, 2022), 87 FR 5881 (February 2, 2022)).

5 See Section IV (Electronic Transaction Fees), Section V (Manual Transaction Fees), Section VI (Complex Order Transaction Fees), and Section VII (Eligible Orders Routed to an Away Exchange).

6 See Section VIII (Exchange Billing).
The Exchange believes that this proposed reorganization of the Exchange Fee Schedule provides a clearer structure. As part of the reorganization, the Exchange is adding a section header with a corresponding description, adding clarifying detail throughout the Exchange Fee Schedule, and making conforming changes throughout to reflect the renumbered sections. In addition, the Exchange is amending Section VIII by replacing “BOX” with the “Exchange” where it references the Fee Schedule to add clarity to the section. Further, the Exchange is reordering the fees in the Regulatory Fee Section but not proposing to amend or alter any of the fees in the Regulatory Fee Section. The Exchange believes that these proposed changes make the Exchange Fee Schedule easier to read and provides clarity to the end-user on the fees of the Exchange.

The Exchange is proposing to clarify that the fees outlined in Sections IV-VII are transactional based fees applicable to BOX Options Market. To clarify the nature of these fees and avoid any potential confusion, the Exchange is including a section header and description for Sections IV-VII that explains the fees are directly related to the BOX Options Market. The Exchange is also making conforming changes throughout the Fee Schedule to reflect these changes. The Exchange notes that these changes are purely clerical and do not amend any fee or rebate in the Exchange Fee Schedule.

The Exchange is also proposing to move all the footnotes in the Exchange Fee Schedule to endnotes. The Exchange believes this change simplifies the Exchange Fee Schedule, makes

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7 See proposed new preamble to Sections IV-VII of the Exchange Fee Schedule, and revised title for Section VIII.

8 Section VII covers fees for orders routed to an away exchange from BOX. Although these fees do not apply to transactions that occur directly on BOX, they nonetheless are directly related to options transactions. Therefore, the Exchange believes it is appropriate to group them with the other transactional based fees for BOX Options Market.
it easier to read, and is similar to how other exchanges organize their fee schedules.9 Lastly, the Exchange is making non-substantive clean-up changes to add precision to the rulebook and facilitate better understanding of the Exchange’s rulebook. The Exchange believes that these changes will make the Exchange Fee Schedule clearer and more consistent for the end user.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act,10 in general, and Section 6(b)(5) of the Act,11 in particular, in that it is designed to promote just and equitable principles of trade, 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 by reorganizing the Exchange Fee Schedule in such a way that makes the fees easy to locate by grouping certain fees together. The Exchange also believes that enhancing the section titles, by renaming certain sections, adding section headers, and including clarifying details, provides greater clarity to the Exchange Fee Schedule and allows Participants to more readily locate and understand the applicability of fees within the Exchange Fee Schedule and improves the structure of the Fee Schedule. The Exchange believes that these proposed changes, to make clarifying and non-substantive edits, will provide greater clarity to Participants and the public regarding the Exchange Fee Schedule and that it is in the public interest for the Exchange Fee Schedule to be clear so as to eliminate the potential for confusion. As such, the Exchange believes the proposed rule change is in the public interest, and therefore, consistent with the Act.

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9 See Cboe Exchange, Inc. Fee Schedule.
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 purpose of the Act. The proposed rule change is not a competitive filing but rather is designed to reorganize the Exchange Fee Schedule. In addition, the Exchange does not believe the proposal will impose any burden on inter-market or intra-market competition as the proposal does not address any competitive issues and does not change any fees currently in the Exchange Fee Schedule.

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**

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\(^\text{12}\) and Rule 19b-4(f)(6) thereunder.\(^\text{13}\)

A proposed rule change filed under Rule 19b-4(f)(6)\(^\text{14}\) normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-

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\(^\text{13}\) 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization 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.

4(f)(6)(iii),\textsuperscript{15} the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so it can immediately reflect the proposed organizational changes to its Fee Schedule. The Commission is waiving the 30-day operative delay as the proposal raises no new or novel issue and waiving the operative delay is thereby consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.\textsuperscript{16}

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 Commission shall institute proceedings to determine whether the proposed rule change 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:


\textsuperscript{16} For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).
Electronic Comments:

- Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-BOX-2022-14 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-2022-14. This file number should be included on the subject line if e-mail 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 (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to
make available publicly. All submissions should refer to File Number SR-BOX-2022-14 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

J. Matthew DeLesDernier
Assistant Secretary