



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103724; File No. SR-BOX-2025-21]

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend Rule 7350 (Reports and Market Data Products) and Section III.C.2. (Liquidity Taker Event Reports) of the Fee Schedule to Remove the Liquidity Taker Event Reports and the Related Fees

August 15, 2025.

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 August 8, 2025, 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 amend BOX Rule 7350 (Reports and Market Data Products) to remove the Liquidity Taker Event Reports and amend the Fee Schedule to remove the fees for such products. Specifically, the Exchange is proposing to amend Rule 7350 to delete subsection (b) Liquidity Taker Event Report–Simple Order and subsection (c) Liquidity Taker Event Report – Complex Orders in their entirety. The Exchange is also proposing to amend the Fee Schedule to delete Section III.C.2 (Liquidity Taker Event Reports) in its entirety. The text of the proposed rule change is available from the principal office of the Exchange and on the Exchange’s Internet website at <https://rules.boxexchange.com/rulefilings>.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 amend BOX Rule 7350 (Reports and Market Data Products) to remove the Liquidity Taker Event Reports and amend the Fee Schedule to remove the fees for such products. Specifically, the Exchange is proposing to amend Rule 7350 to delete subsection (b) Liquidity Taker Event Report–Simple Order and subsection (c) Liquidity Taker Event Report – Complex Orders in their entirety. The Exchange is also proposing to amend the Fee Schedule to delete Section III.C.2 (Liquidity Taker Event Reports) in its entirety.

Background

The Exchange filed to adopt the Liquidity Taker Event Report rule on March 18, 2022, and adopted a new section of the Fee Schedule to adopt fees for the Liquidity Taker Event Report on May 31, 2022.³ Specifically, the Exchange adopted the Liquidity Taker Event Report

³ On March 18, 2022, the Exchange filed its proposal to adopt new Rule 7350 (Reports and Market Data Products) to adopt new data products known as the Liquidity Taker Event Report. See Securities Exchange Act Release No. 94563 (March 31, 2022), 87 FR 19985 (April 6, 2022) (SR-BOX-2022-10). On May 6, 2022, the Exchange filed its proposal to amend Rule 7350 to provide for the new Liquidity Taker Event Report – Complex Orders (the “Complex Order Report”), and change the name of the existing Liquidity Taker Event Report to “Liquidity Taker Event Report – Simple Orders (the “Simple Order Report”)” (collectively, the “Reports”) which were intended to be made available for purchase by Exchange Participants on a voluntary basis. The Reports provide Participants with a chance to learn more about better opportunities to access liquidity and receive better execution rates. See Securities Exchange Act Release No. 94920 (May 16, 2022), 87 FR 31013 (May 20, 2022) (SR-BOX-2022-18). On March 31, 2022, the Exchange filed its proposal to adopt new fees for the Liquidity Taker Event Report. See Securities Exchange Act Release No. 95081 (June 9, 2022), 87 FR 36179 (June 15, 2022) (SR-BOX-2022-20).

– Simple Orders (the “Simple Order Report”) and the Liquidity Taker Event Report – Complex Orders (the “Complex Order Report”), (collectively, the “Reports”) which were intended to be made available for purchase by Exchange Participants⁴ on a voluntary basis. On May 24, 2022, BOX issued an Informational Circular describing the Reports and providing that BOX would provide the official launch date of these Reports in a future Informational Circular. However, these Reports were never made available for purchase.

By way of background, if launched, the Reports would have contained daily reports that are able to provide a Participant (“Recipient Participant”) with its liquidity response time details for executions of an order resting on the BOX Book or Complex Order Book,⁵ where that Recipient Participant attempted to execute against such resting order⁶ within a certain timeframe. The purpose of the Reports is to provide Participants the necessary data in a standardized format on a T+1 basis to those that subscribe to the Simple Order Report and/or the Complex Order Report on an equal basis. These Reports were intended to be made available to Participants on a completely voluntary basis, but were never made available for purchase by the Exchange.

Proposal

The Exchange is now proposing to amend BOX Rule 7350 to delete subsections (b) (Liquidity Taker Event Report–Simple Orders) and (c) (Liquidity Taker Event Report – Complex Orders) in their entirety. The Exchange is also proposing to remove the fees assessed for the Liquidity Taker Event Reports from the Fee Schedule. Specifically, the Exchange is proposing to delete subsections (b) and (c) of Rule 7350 and Section III.C.2 of the Fee Schedule in their entirety because the Reports have never been made available to Participants for purchase and the

⁴ The term “Participant” means a firm, or organization that is registered with the Exchange pursuant to the Rule 2000 Series for purposes of participating in trading on a facility of the Exchange. See BOX Rule 100(a)(42).

⁵ The term “BOX Book” means the electronic book of orders on each single option series maintained by the BOX Trading Host. See BOX Rule 100(a)(10). The term “Complex Order Book” means the electronic book of Complex Orders maintained by the BOX Trading Host. See BOX Rule 7240(a)(8).

⁶ Only displayed orders are included in the Simple Order Report. The Exchange notes that it does not currently offer any non-displayed order types on its options trading platform.

Exchange believes that the continued presence of the Reports in the Rulebook and Fee Schedule could lead to confusion for Participants. Accordingly, the Exchange proposes to remove Rules 7350(b) and 7350(c) from the Rulebook and Section III.C.2 of the Fee Schedule, to remove any confusion surrounding the Exchange's current market data offerings. To the extent the Exchange seeks to introduce these Reports in the future, the Exchange would file a separate proposal with the Commission to reintroduce the Reports.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act,⁷ in general, and Section 6(b)(5) of the Act,⁸ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest, and that it is not designed to permit unfair discrimination among customers, brokers, or dealers. The Exchange also believes that its proposal to amend the Fee Schedule to remove the fees related to the Reports is consistent with Section 6(b) of the Act in general, and further the objectives of Section 6(b)(4) of the Act⁹ in particular, in that it provides for an equitable allocation of reasonable dues, fees and other charges among its members and other recipients of Exchange data.

The Exchange believes the proposed changes promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system because the proposed changes remove references to the Reports, which were never made available for purchase, from the Rulebook and Fee Schedule. The proposed changes are intended to prevent confusion among Participants and the public about what market data products the Exchange offers and the associated fees for such products, by updating the

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

⁹ 15 U.S.C. 78f(b)(4).

BOX Rulebook and Fee Schedule to reflect the Exchange's existing market data offerings. As such, the Exchange believes the proposed change will provide greater clarity to Participants and the public regarding the Exchange's market data products that are currently available for purchase by removing references to the Reports from the Exchange's Rulebook and Fee Schedule.

As detailed above, these Reports were intended to be made available to Participants on a completely voluntary basis, but were never made available for purchase by the Exchange. The Exchange is proposing to remove the references to the Reports and the related fees from the Rulebook and Fee Schedule, respectively, because the continued presence of the Reports in the Rulebook and Fee Schedule could lead to confusion for Participants. The Exchange believes it is in the public interest for the Exchange's Rulebook and Fee Schedule to accurately reflect its current market data offerings so as to eliminate the potential for confusion. Further, as discussed above, the Exchange notes that the Reports have never been made available for purchase, so there are no existing subscribers to the Reports that would be impacted by the proposal.

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

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.

Intramarket Competition

The Exchange believes that the proposal to remove the Reports from the Rulebook and the associated fees for the Reports would have no impact on intramarket competition because it applies to all Participants equally. Additionally, as noted above, these Reports were intended to be offered to Participants on a completely voluntary basis in that the Exchange is not required by any rule of regulation to make this data available and potential subscribers would have been permitted to purchase the Reports if they voluntarily choose to do so. Further, the Reports have never been made available for purchase, so there are no existing subscribers to the Reports that

would be impacted by the proposal. The proposal therefore will not cause any unnecessary or inappropriate burden on intramarket competition.

Intermarket Competition

The Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed removal of the rule text and associated fees applies only to the Reports, which were never made available for purchase to Participants of the Exchange. The proposed change to remove the rule text and associated fees for the Reports will have no impact on competition as it not designed to address any competitive issue but rather is designed to remove references to the Reports, which were never made available for purchase, from the Rulebook and Fee Schedule. The proposal is intended prevent confusion among Participants about what reports the Exchange offers and the associated fees for such products, ensuring that both the BOX Rulebook and Fee Schedule reflect the Exchange's existing market data offerings.

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)(iii) of the Act¹⁰ and Rule 19b-4(f)(6) thereunder.¹¹ Because the 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 prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of

¹⁰ 15 U.S.C. 78s(b)(3)(A)(iii).

¹¹ 17 CFR 240.19b-4(f)(6).

investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹² and Rule 19b-4(f)(6)(iii) thereunder.¹³

A proposed rule change filed under Rule 19b-4(f)(6)¹⁴ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),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 requested that the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange states that a waiver of the operative delay would allow the Exchange to immediately remove references to the Reports from the Rulebook and Fee Schedule and thereby ensure that both the Rulebook and Fee Schedule accurately reflect the Exchange's current market data offerings and the associated fees. The Commission believes that the proposed rule change presents no novel legal or regulatory issues and that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change operative upon filing.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

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) 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.

¹⁴ 17 CFR 240.19b-4(f)(6).

¹⁵ 17 CFR 240.19b-4(f)(6)(iii).

¹⁶ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See U.S.C. 78c(f).

Commission will institute proceedings under Section 19(b)(2)(B)¹⁷ of the Act 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:

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-2025-21 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-2025-21. 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

¹⁷ 15 U.S.C. 78s(b)(2)(B).

protection. All submissions should refer to file number SR-BOX-2025-21 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.¹⁸

J. Matthew DeLesDernier,

Deputy Secretary.

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¹⁸ 17 CFR 200.30-3(a)(12), (59).