



## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104087; File No. SR-BOX-2025-25]

### Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the Exchange's Bylaws

September 26, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on September 23, 2025, BOX Exchange LLC (the “Exchange”) filed with the Securities and Exchange Commission (“Commission” or “SEC”) 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 amend the Exchange’s Bylaws to: (i) add the Risk Committee as a required committee, (ii) update the Audit Committee’s responsibilities, (iii) allow the Compensation Committee flexibility when determining compensation of Directors, and (iv) clarify the composition of the Compensation and Regulatory Oversight Committees. The Exchange is also proposing to make non-substantive clarifying and conforming changes to the Bylaws. 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

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 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 Exchange proposes to amend the Bylaws to make several changes. Specifically, the Exchange proposes to: (i) add the Risk Committee as a required committee, (ii) update the Audit Committee's responsibilities, (iii) allow the Compensation Committee flexibility when determining compensation of Directors, and (iv), clarify the composition of the Compensation and Regulatory Oversight Committees. The Exchange is also proposing to make non-substantive clarifying and conforming changes to the Bylaws, as described below. The Board of Directors of the Exchange determined these amendments to its Bylaws are appropriate and in the best interest of the Exchange after a regular review, by the Exchange, of documents governing the operation of the Board of Directors of the Exchange and its committees.

Risk Committee

Under the Bylaws, the Board may appoint one or more additional Board Committees for such time as determined by the Board.<sup>3</sup> Pursuant to such, the Board established the Risk Committee as a committee of the Board in 2014.<sup>4</sup> The Risk Committee assists the Board in fulfilling its responsibilities with respect to the Exchange's oversight of risk assessment and risk management processes of the Exchange. This includes the Exchange's risk structure and governance in the following areas: (1) identification of risks inherent in the Exchange's business, strategy, capital structure, and operating plans; (2) processes, guidelines, policies, and reports for monitoring risks; and (3) organization and performance of the Exchange's risk management

---

<sup>3</sup> See Bylaws, Article 6, Section 6.01.

<sup>4</sup> The Risk Committee has been operational since 2014.

function. As described below, this also includes oversight of the Exchange’s legal and compliance process. The Risk Committee is responsible for overseeing all matters of risk as they may arise. Generally, for example, this could range from cyber and emerging risk to operational risk. The Risk Committee is composed of a majority of Non-Industry Directors<sup>5</sup> and includes one Facility Director.<sup>6</sup>

The Exchange is now proposing to update the Bylaws to include the specific requirement to have a Risk Committee. Specifically, the Exchange is adding new Section 6.08 to the Bylaws to codify the Risk Committee including the committee’s responsibilities and composition.<sup>7</sup> The Exchange proposes to amend the Bylaws as follows:

- Add new Section 6.08 which would read in full: “Section 6.08 Risk Committee. The Board shall appoint a Risk Committee, which shall consist of not less than three (3), and no more than eleven (11) Directors, each of whom shall meet the requirements established in the Risk Committee charter. A majority of the Directors serving on the Risk Committee shall be Non-Industry Directors. The Risk Committee shall include one (1) Facility Director. The Risk Committee shall assist the Board in fulfilling its responsibilities with respect to the Exchange’s oversight of risk assessment and risk management processes of the Exchange, as well as such other functions as may be specified in the charter of the Risk Committee.”
- Add the Risk Committee to the list of required committees under Section 6.01 (Board Committees).

The Exchange is adding the Risk Committee as a required committee of the Board in the Bylaws as the Risk Committee is a long-established committee and has been an integral part of the Exchange’s oversight. The Exchange notes the authority to establish additional Board committees is already provided in the Bylaws.<sup>8</sup> Additionally, the Exchange believes it is

---

<sup>5</sup> A “Non-Industry Director” means a Director who (i) is a Public Director or (ii) is a Non-Industry Representative. See Bylaws, Article 1, Section 1.01, subparagraph (r).

<sup>6</sup> A “Facility Director” means a Director who is a director or senior executive officer of an Exchange Facility. See Bylaws, Article 1, Section 1.01, subparagraph (j).

<sup>7</sup> The Exchange notes that, unlike other Committees in the Bylaws, the Risk Committee is not limited to five Directors as historically the Risk Committee has had more than five Directors. Specifically, providing for the Risk Committee to consist of no more than eleven Directors preserves the opportunity for any or all Directors to serve on the Committee if they choose, because the maximum number of Directors authorized for the Board is no more than eleven. See Bylaws, Article 4, Section 4.02.

<sup>8</sup> See Bylaws, Article 6, Section 6.01 (providing that “[t]he Board may appoint one or more additional Board Committees and delegate such responsibility and authority to such Board Committee for such time as determined by the Board.”) After these proposed changes are made, if the Board determines that a change

appropriate to add the Risk Committee to the Bylaws given the scope of the Committee's responsibilities. The Exchange believes further that it is necessary to outline the scope of the responsibilities of the Committee given the existing overlap with the current description of the Audit Committee, as described below. The Exchange does not believe that the proposal to codify the Risk Committee in the Bylaws is novel because, as mentioned above, the Board has the authority to appoint additional committees and now is merely codifying the Risk Committee in the Bylaws. Additionally, it is common for an exchange to have a risk committee of the Board.<sup>9</sup>

Section 6.05, Audit Committee

The Exchange proposes to make certain edits to the Bylaws to narrow the scope of responsibilities of the Audit Committee. Currently, the Bylaws provide that the Audit Committee shall perform the specified primary functions, as well as such other functions as may be specified in the charter of the Audit Committee.<sup>10</sup> Those primary functions include providing oversight over the Exchange's financial reporting process and the financial information that is provided to the Members and others; oversight over the systems of internal controls established by management and the Board and the Exchange's legal and compliance process; selecting (or nominating), evaluating and, where appropriate, replacing the Exchange's independent auditors; and directing and overseeing all the activities of the Exchange's internal audit function.

The Exchange now proposes to amend Section 6.05 of the Bylaws to narrow the scope of the Audit Committee to provide that its oversight is limited to financial matters. Specifically, the Exchange is proposing to remove references to oversight of the Exchange's legal and compliance process from the description of the Audit Committee's duties, which is now overseen by the Risk

---

to the Risk Committee responsibilities as outlined in proposed Section 6.08 is required or the Board determines that having the Risk Committee as a required Committee under the Bylaws is no longer necessary, then a change to the Bylaws would be required.

<sup>9</sup> For example, Cboe Global Markets, Inc. ("CBOE") established a Risk Committee as a Committee of the Board of Directors, charter available at, [https://s202.q4cdn.com/174824971/files/doc\\_governance/2024/Aug/cboe-global-markets-risk-committee-charter.pdf](https://s202.q4cdn.com/174824971/files/doc_governance/2024/Aug/cboe-global-markets-risk-committee-charter.pdf).

<sup>10</sup> See Bylaws, Article 6, Section 6.05.

Committee. Additionally, the Exchange is updating the Audit Committee's responsibilities to provide that internal controls, auditors, and internal audits are referring to internal financial controls, financial auditors, and internal financial audits. With the proposed changes, Section 6.05 will read as follows:

- **Audit Committee.** The Board shall appoint an Audit Committee, which shall consist of not less than three (3), and no more than five (5), Directors, none of whom shall be Officers or employees of the Exchange, and each of whom shall meet the requirements established in the Audit Committee charter. A majority of the Directors serving on the Audit Committee shall be Non-Industry Directors. The Audit Committee shall include one (1) Facility Director. The Audit Committee shall perform the following primary functions, as well as such other functions as may be specified in the charter of the Audit Committee: (A) provide oversight over the Exchange's financial reporting process and the financial information that is provided to the Members and others; (B) provide oversight over the systems of internal financial controls established by management and the Board; (C) select, evaluate and, where appropriate, replace the Exchange's independent financial auditors (or nominate the independent financial auditors to be proposed for ratification by the Members); and (D) direct and oversee all the activities of the Exchange's internal financial audit function, including but not limited to management's responsiveness to internal financial audit recommendations.

The Exchange believes these changes are consistent with the delegation of responsibilities between the various Board committees and is designed to align the Bylaws with the Board practices. The Exchange notes that this proposed change is consistent with the proposal to codify the Risk Committee in its Bylaws and to reduce overlap between the Risk Committee's responsibilities and the current description of the Audit Committee as the Risk Committee is responsible for oversight of risk assessment and risk management processes of the Exchange, which includes oversight of certain internal non-financial assessments and audits, for example. Additionally, oversight of the Exchange's legal and compliance process, which is currently listed under the Audit Committee responsibilities, will now solely fall under the purview of the Risk Committee. Therefore, the proposed changes to Section 6.05 are merely designed to provide clarity and consistency within the Bylaws.

*Section 4.12, Compensation*

The Exchange proposes allowing the Compensation Committee flexibility when determining compensation of Directors. The Compensation Committee is responsible for setting compensation, including compensation policies, programs, and practices for Directors, Officers and employees of the Exchange.<sup>11</sup> With respect to Director compensation, currently each Director shall receive the same compensation as each other Director, other than the Chairman. The Exchange now proposes to remove the requirement that “each Director shall receive the same compensation as each other Director, other than the Chairman[, and] the Chairman shall be eligible to receive higher compensation than the other Directors” from Section 4.12 of the Bylaws. Additionally, the Exchange is clarifying that the Compensation Committee may provide reasonable compensation terms, which are outlined in Section 6.06,<sup>12</sup> for the Directors and that the Compensation Committee sets the compensation for the Vice Chairman, which is currently the case under Section 6.06, but is not explicitly stated, by amending Section 4.12 as follows:

- Add “terms” to the first sentence of Section 4.12.
- Add “the Vice Chair” to the first sentence of Section 4.12.

With the proposed changes, Section 4.12 will read as follows:

- Section 4.12 Compensation. The Compensation Committee may provide for reasonable compensation terms of the Chair, the Vice Chair, the Directors, the members of any Board Committee and the members of any committee of the Exchange. The Compensation Committee may also provide for reimbursement of reasonable expenses incurred by such persons in connection with the business of the Exchange.

The Exchange is making these changes to provide flexibility when setting appropriate compensation for Directors and aligning with industry norms. The Exchange believes these changes are reasonable as they provide the Board with the appropriate latitude needed for setting

---

<sup>11</sup> See Bylaws, Article 4, Section 4.12. See also Bylaws, Article 6, Section 6.06, (providing that “[t]he Compensation Committee shall set compensation, including compensation policies, programs, and practices for Directors, Officers and employees of the Exchange”).

<sup>12</sup> Section 6.06 currently provides that the Compensation Committee shall set compensation, including compensation policies, programs, and practices for Directors. See Bylaws, Article 6, Section 6.06.

compensation by removing unnecessary constraints. Additionally, the Exchange notes that it is not novel to have such flexibility when determining appropriate compensation.<sup>13</sup>

### Compensation and Regulatory Oversight Committees

Lastly, the Exchange is proposing to clarify the composition of the Compensation and Regulatory Oversight Committees. The Compensation Committee is responsible for setting compensation, including compensation policies, programs, and practices for Directors, Officers and employees of the Exchange.<sup>14</sup> Among other responsibilities, the Regulatory Oversight Committee is responsible for overseeing the adequacy and effectiveness of the Exchange's regulatory and self-regulatory organization responsibilities, assessing the Exchange's regulatory performance, and assisting the Board and committees of the Board in reviewing the regulatory plan and the overall effectiveness of the Exchange's regulatory functions.<sup>15</sup> Currently, the Bylaws state that both Committees shall consist of not less than three (3), and no more than five (5), Directors, each of whom shall be Non-Industry Directors, and that each Committee shall not include any Facility Directors.

The Exchange is proposing the below changes to codify that these committees shall also not include any Participant Directors.<sup>16</sup> Specifically, the Exchange proposes to amend the Bylaws as follows:

- Amend Article 6, Section 6.06 by adding the following: “The Compensation Committee shall not include any Participant Directors.”

---

<sup>13</sup> See Eighth Amended and Restated Bylaw of CBOE, Article 3, Section 3.14, (providing that “directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board of Directors may from time to time determine”), available at [https://s202.q4cdn.com/174824971/files/doc\\_governance/2024/Dec/04/Cboe-Global-Markets-Eighth-AR-Bylaws-2ffa4c.pdf](https://s202.q4cdn.com/174824971/files/doc_governance/2024/Dec/04/Cboe-Global-Markets-Eighth-AR-Bylaws-2ffa4c.pdf).

<sup>14</sup> See Bylaws, Article 6, Section 6.06.

<sup>15</sup> See Bylaws, Article 6, Section 6.07.

<sup>16</sup> A “Participant Director” means a Director who is a Participant Representative. See Bylaws, Article 1, Section 1.01, subparagraph (u). A “Participant Representative” means an officer, director or employee of an Exchange Facility Participant. See Bylaws, Article 1, Section 1.01, subparagraph (v). “Exchange Facility Participant” means a firm or organization that is registered with the Exchange pursuant to the Exchange Rules for purposes of participating in trading on any Exchange Facility. See Second Amended and Restated LLC Agreement of BOX Exchange, Article 1, Section 1.1, available at <https://boxexchange.com/assets/BOX-Exchange-Second-Amended-and-Restated-LLC-Agreement-as-amended-through-Amendment-No-2-230227.pdf> (referred to herein as the “LLC Agreement”).

- Amend Article 6, Section 6.07 by adding the following: “The Regulatory Oversight Committee shall not include any Participant Directors.”

The Exchange notes that it is currently the requirement of the Board not to permit Participant Directors on the Compensation or Regulatory Oversight Committee in addition to Facility Directors, because the Bylaws currently require that the Committees be made up of Non-Industry Directors.<sup>17</sup> Under the current terms of the Bylaws, Non-Industry Directors excludes Participant Directors since a Participant Director is considered an Industry Representative. Because, pursuant to the definitions, a Participant Director is an officer, director or employee of a firm or organization (such firm or organization would be a broker or dealer) registered with the Exchange for the purpose of participating in trading on an Exchange Facility.<sup>18</sup> Therefore, a Participant Director falls under the definition of Industry Representative, which makes a Participant Director ineligible to serve on the Compensation or Regulatory Oversight Committee. As such, the Exchange is not proposing any new requirement or restriction on the composition of the Compensation or Regulatory Oversight Committees, but merely adding additional clarity on the current description. The Exchange is making these changes solely for ease of reading and interpreting the Bylaws. Therefore, the proposed changes to Section 6.06 and 6.07 are designed to provide clarity and transparency within the Bylaws. Additionally, the Exchange notes that it is

---

<sup>17</sup> “Non-Industry Director” means a Director who (i) is a Public Director or (ii) is a Non-Industry Representative. See Bylaws, Article 1, Section 1.01, subparagraph (r). A “Non-Industry Representative” means an individual who is not an Industry Representative. See Bylaws, Article 1, Section 1.01, subparagraph (s). A “Public Director” means a Director who (i) has no material business relationship with the Exchange or any Affiliate of the Exchange, or any Exchange Facility Participant or any Affiliate of any Exchange Facility Participant and (ii) is not associated with any broker or dealer as required pursuant to Section 6(b)(3) of the Securities Exchange Act of 1934, as amended; provided, however, that an individual who otherwise qualifies as a Public Director shall not be disqualified from serving in such capacity solely because such individual is a Director of the Exchange and/or the Chairman or Vice Chairman. See Bylaws, Article 1, Section 1.01, subparagraph (w). An “Industry Representative” means an individual who is an officer, director or employee of a broker or dealer or who has been employed in any such capacity at any time within the prior three (3) years, as well as an individual who has, or has had, a consulting or employment relationship with the Exchange, or any Affiliate of the Exchange, at any time within the prior three (3) years. See Bylaws, Article 1, Section 1.01, subparagraph (n).

<sup>18</sup> “Exchange Facility” means any facility of the Exchange as the term “facility” is defined in Section 3 of the Exchange Act. See LLC Agreement, Article 1, Section 1.1.

not novel to have restrictions on the composition of the Compensation and Regulatory Oversight Committees.<sup>19</sup>

### Non-Substantive Changes

The Exchange is also proposing to make non-substantive conforming changes to the Bylaws to accommodate renumbering as a result of the changes to Section 6.08.<sup>20</sup> In addition, the Exchange is amending the definition of “Exchange Violation” to update the cross reference from current Section 6.08(a) to proposed Section 6.09(a) under the definition.<sup>21</sup> Additionally, the Exchange is proposing to replace the term “Chairman” throughout the Bylaws with “Chair” or “chairperson.” This proposed change applies to both usages of “Chairman” and “Vice Chairman.” The Exchange is making this non-substantive change as it believes it is appropriate to use the neutral term throughout the Bylaws.

## 2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act,<sup>22</sup> in general, and furthers the objectives of Section 6(b)(1) of the Act in particular,<sup>23</sup> in that it continues to assure that the Exchange is so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its Exchange members and persons associated with its Exchange members, with the provisions of the Exchange Act, the rules and regulations thereunder, and the rules of the Exchange. The Exchange also believes that the proposed Bylaw amendments further the

---

<sup>19</sup> See First Amended and Restated Bylaws of Long-Term Stock Exchange, Inc., Article 5, Section 5.06(c) (stating that each member of the Regulatory Oversight Committee shall be an Independent Director), available at [https://cdn.prod.website-files.com/6462417e8db99f8baa06952c/6462417e8db99f8baa06a3d8\\_Long-Term\\_Stock\\_Exchange\\_A\\_R\\_Bylaws\\_Adopted\\_5-3-19.pdf](https://cdn.prod.website-files.com/6462417e8db99f8baa06952c/6462417e8db99f8baa06a3d8_Long-Term_Stock_Exchange_A_R_Bylaws_Adopted_5-3-19.pdf) and Eighth Amended and Restated Bylaws of CBOE, Article 4, Section 4.4 (stating that all directors on the Compensation Committee must be independent).

<sup>20</sup> Under the proposal, current Section 6.08 (Hearing Committee) is being updated to Section 6.09 and Section 6.09 (Committee Expenses) is being updated to Section 6.10.

<sup>21</sup> See proposed changes to Bylaws, Article 1, Section 1.01, subparagraph (i).

<sup>22</sup> 15 U.S.C. 78f(b).

<sup>23</sup> 15 U.S.C. 78f(b)(1).

objectives of Section 6(b)(3)<sup>24</sup> of the Act in particular, in that they are designed to assure the fair administration of the Exchange's affairs by updating its corporate governance documents dealing with the administration of the Exchange.

The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>25</sup> in that they are intended to, inter alia, promote just and equitable principles of trade, foster cooperate and coordination with person engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest. Additionally, the proposed amendment is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers as the proposed changes deal with the administration of the Exchange's governance.

#### Risk Committee

The Exchange believes that the proposed change to add the requirement to have a Risk Committee to the Bylaws continues to assure that the Exchange is so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its Exchange members and persons associated with its Exchange members, with the provisions of the Exchange Act, the rules and regulations thereunder, and the rules of the Exchange because the Risk Committee is a long-established committee of the Board that assists the Board in fulfilling its responsibilities with respect to the Exchange's oversight of risk assessment and risk management processes of the Exchange. The Exchange believes it is appropriate to add the Risk Committee to the Bylaws now given its importance and overall breadth of oversight over the Exchange. The Exchange further believes that it is consistent with the Act to add the Risk Committee to the Bylaws to codify the scope of the Committee's responsibilities in the Bylaws to reduce overlap with the current description of the Audit

---

<sup>24</sup> 15 U.S.C. 78f(b)(3).

<sup>25</sup> 15 U.S.C. 78f(b)(5).

Committee, as detailed above. The Exchange believes the composition of the Risk Committee, including a maximum of eleven Directors, which is unlike other Committees in the Bylaws, is consistent with the Act as it preserves the flexibility of the Exchange to continue to allow all Directors to serve on the Risk Committee. The Exchange believes that it is in the public interest for the Exchange's corporate governance to be clear, consistent and administered fairly. The Exchange also does not believe that the proposal to codify the Risk Committee in the Bylaws is novel as it is common for an exchange to have a risk committee of the Board and the Exchange believes that the distinction between memorializing the requirement in its Bylaws and not is minor.<sup>26</sup>

#### Section 6.05, Audit Committee

The Exchange believes the edits to the Bylaws to update the oversight responsibilities of the Audit Committee to provide that they are limited to financial matters, including removing references to oversight of the Exchange's legal and compliance process, which is covered by the Risk Committee, is consistent with the Act, in that it will narrow the scope of the Audit Committee's responsibilities and reduce the potential for confusion given the existing overlap between the current description of the Audit Committee's responsibilities and the role of the Risk Committee, as detailed above. The Exchange believes further that it is in the public interest for the Exchange's corporate governance to be clear, consistent and administered fairly. Accordingly, the Exchange believes that these proposed changes to Section 6.05 are consistent with the Act, as such amendments update and clarify the Bylaws, thereby increasing transparency and helping to avoid any potential confusion by clarifying the scope of the committee's responsibilities. For these reasons, the Exchange believes such amendments enable the Exchange to be so organized as to have the capacity to carry out the purposes of the Act and the comply with the provisions of the Act, the rules and regulations thereunder, and the rules of

the Exchange, promote just and just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market, and protect investors and the public interest.

#### Section 4.12, Compensation

The Exchange believes the proposed changes to Section 4.12 of the Bylaws will allow the Exchange to continue to be so organized as to have the capacity to carry out the purposes of the Exchange Act and provide for the fair administration of the Exchange's affairs because the proposed changes will provide flexibility when setting appropriate compensation for Directors. It is in the public interest for the Exchange's corporate governance to be clear, consistent, and administered fairly. The Exchange believes that the proposed changes Section 4.12 of the Bylaws promote greater flexibility and remove unnecessary constraining language thereby promoting the fair administration of the Exchange. The Exchange believes further that the proposed change to codify, the existing practice,<sup>27</sup> that the Compensation Committee sets the compensation for the Vice Chairman will clarify the process and provide added transparency regarding how the Exchange determines compensation. The Exchange notes that it is not novel to have such flexibility when determining appropriate compensation, as another Exchange provides for similar flexibility for Directors in its Bylaws.<sup>28</sup>

#### Compensation and Regulatory Oversight Committees

The Exchange believes the proposed changes to the Bylaws to codify that both the Compensation and Regulatory Oversight Committees shall not include any Participant Directors continues to contribute to the orderly operation of the Exchange and provide for the fair administration of the Exchange's affairs as the Committees will continue to be made up of Non-Industry Directors. The Exchange believes further that the proposed change would be consistent with the existing composition requirements of the Committees, which would enable the

---

<sup>27</sup> See Bylaws, Article 6, Section 6.06.

<sup>28</sup> See supra note 13.

Exchange to continue to be so organized as to have the capacity to carry out the purposes of the Act and comply with the provisions of the Act by its members and persons associated with members, thereby furthering the objectives of the Act. The proposed change is intended to provide added transparency regarding the composition of the Compensation and Regulatory Oversight Committees. Moreover, the Exchange believes that as a practical matter the proposed change is consistent with current requirements, as it is an existing requirement of the Exchange not to permit a Participant Director on the Compensation or Regulatory Oversight Committee,<sup>29</sup> thereby increasing transparency and helping to avoid any potential confusion by adding clarifying language to the Bylaws.<sup>30</sup> The Exchange is proposing this change to codify such requirement and, since no new requirement or restriction is being proposed, the Exchange does not believe the proposal raises any questions of fair representation under the Act. The Exchange notes that it is not novel to have restrictions on the composition of the Compensation and Regulatory Oversight Committees.<sup>31</sup>

#### Non-Substantive Changes

Finally, the Exchange believes that the proposed non-substantive conforming changes to the Bylaws to accommodate renumbering, including an update to the cross reference in the definition of “Exchange Violation,” as a result of the changes to Section 6.08 further the purposes of the Act because they provide greater clarity and consistency to the Bylaws thereby reducing the potential for confusion by market participants. Additionally, the Exchange believes the proposed change replace the term Chairman throughout the Bylaws is reasonable because it is not proposing to make any changes to the existing duties or obligations of the Chairman and Vice Chairman and is merely proposing to update the term to use neutral terminology throughout the Bylaws. The Exchange believes the proposed changes are non-substantive, in that they will

---

<sup>29</sup> See supra note 17.

<sup>30</sup> See Bylaws Article 6, Sections 6.06 and 6.07 (providing that all of the Directors serving on each Committee shall be Non-Industry Directors). See also supra note 16.

<sup>31</sup> See supra note 19.

not amend or implicate the Exchange's governance as an "exchange" within the meaning of the Act. The Exchange believes that these proposed non-substantive changes are consistent with the Act, as such amendments update and clarify the Bylaws, thereby increasing transparency and helping to avoid any potential confusion from unclear provisions.

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 that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change relates to the corporate governance of the Exchange and not the operations of the Exchange. Therefore, the proposed rule change is not intended to address competitive issues but rather is concerned with the administration and governance of the Exchange and its Board Committees. The proposed changes are concerned solely with the corporate governance of the Exchange and do not present any issues that impact competition. This is not a competitive filing and, therefore, imposes no burden on competition. As such, 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<sup>32</sup> and Rule 19b-4(f)(6)<sup>33</sup> 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 after the date on which it was

---

<sup>32</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>33</sup> 17 CFR 240.19b-4(f)(6).

filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>34</sup> and Rule 19b-4(f)(6)<sup>35</sup> thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)<sup>36</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>37</sup> 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 that the proposed rule change may become operative immediately upon filing. The Exchange states that the proposed rule change adds transparency, clarity, and flexibility to the Bylaws, and that it is in the public interest for the Exchange's corporate governance to be clear, consistent and administered fairly. For these reasons, the Commission believes 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 as operative upon filing.<sup>38</sup>

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 under Section 19(b)(2)(B)<sup>39</sup> of the Act to determine whether the proposed rule change should be approved or disapproved.

---

<sup>34</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>35</sup> 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.

<sup>36</sup> 17 CFR 240.19b-4(f)(6).

<sup>37</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>38</sup> 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 15 U.S.C. 78c(f).

<sup>39</sup> 15 U.S.C. 78s(b)(2)(B).

#### 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](mailto:rule-comments@sec.gov). Please include file number SR-BOX-2025-25 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-2025-25. 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. All submissions should refer to file number SR-BOX-2025-25 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.<sup>40</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-19016 Filed: 9/29/2025 8:45 am; Publication Date: 9/30/2025]

---

<sup>40</sup> 17 CFR 200.30-3(a)(12) and (59).