

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-99725; File No. SR-BOX-2023-20)

March 12, 2024

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Designation of Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 2, to Adopt Rules to Govern FLEX Equity Options and a New Order Type to Trade FLEX Equity Options on the BOX Trading Floor

On September 1, 2023, BOX Exchange LLC (“Exchange” or “BOX”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to adopt Rules 5055 and 7605 which, among other applicable Exchange rules, will govern the trading of flexible exchange equity options (“FLEX Equity Options”) on the BOX Trading Floor, and make related changes to Rules 100 (Definitions), 7620 (Accommodation Transactions), and 12140 (Imposition of Fines for Minor Rule Violations). The proposed rule change was published for comment in the Federal Register on September 19, 2023.³ On September 27, 2023, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On December 12, 2023, the Exchange submitted Amendment No. 2 to the proposed rule change, which replaced

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 98380 (September 13, 2023), 88 FR 64482 (“Notice”). Comment on the proposed rule change can be found at: <https://www.sec.gov/comments/sr-box-2023-20/srbox202320.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 98568, 86 FR 68237 (October 3, 2023). The Commission designated December 18, 2023, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

and superseded the proposed rule change as originally filed.⁶ On December 15, 2023, the Commission published notice of Amendment No. 2 and instituted proceedings pursuant to Section 19(b)(2)(B) of the Exchange Act⁷ to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 2.⁸

Section 19(b)(2) of the Act⁹ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of the notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the Federal Register on September 19, 2023.¹⁰ The 180th day after publication of the Notice is March 17, 2024. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of

⁶ Amendment No. 2 is available on the Commission's website at: <https://www.sec.gov/comments/sr-box-2023-20/srbox202320-310739-809082.pdf> ("Amendment No. 2").

⁷ 15 U.S.C. 78s(b)(2)(B).

⁸ See Securities Exchange Act Release No. 99192, 88 FR 88437 (December 21, 2023) (Notice of Filing of Amendment No. 2 and Order Instituting Proceedings) ("OIP").

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ See Notice, supra note 3.

the Act,¹¹ designates May 16, 2024 as the date by which the Commission shall either approve or disapprove the proposed rule change, as modified by Amendment No. 2 (File No. SR-BOX-2023-20).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

J. Matthew DeLesDernier,

Deputy Secretary.

¹¹ 15 U.S.C. 78s(b)(2).

¹² 17 CFR 200.30-3(a)(57).