



8011-01P
SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-66242; File No.10-206)

January 26, 2012

BOX Options Exchange LLC; Notice of Filing of Application, as amended, for Registration as a National Securities Exchange under Section 6 of the Securities Exchange Act of 1934

On December 19, 2011, BOX Options Exchange LLC (the “Applicant” or “BOX Exchange”) submitted to the Securities and Exchange Commission (“Commission”) a Form 1 application under the Securities Exchange Act of 1934 (“Exchange Act”), seeking registration as a national securities exchange under Section 6 of the Exchange Act.¹ On December 28, 2011, the Applicant submitted Amendment No. 1 to its Form 1 application.² The Commission is publishing this notice to solicit comments on the Applicant’s Form 1 application, as amended. The Commission will take these comments into consideration in making its determination about whether to grant the Applicant’s request to be registered as a national securities exchange. The Commission will grant the registration if it finds that the requirements of the Exchange Act and the rules and regulations thereunder with respect to the Applicant are satisfied.³

The Applicant’s Form 1 application, as amended, provides detailed information on how it proposes to satisfy the requirements of the Exchange Act. BOX Market LLC (“BOX Market”), a

¹ On January 26, 2012, the Commission issued an order granting the Applicant exemptive relief, subject to certain conditions, in connection with the filing of its Form 1 application. See Securities Exchange Act Release No. 66241. Because the Applicant’s Form 1 application was incomplete without the exemptive relief, the date of filing of such application is January 26, 2012.

² Amendment No. 1, among other things, provides the unconsolidated financial statements for certain affiliates of the Applicant that are required in Exhibit D to Form 1 but were not included in the Applicant’s initial Form 1 application. In its initial Form 1 application, the Applicant only submitted consolidated financials for certain of these affiliates.

³ 15 U.S.C. 78s(a).

wholly-owned subsidiary of BOX Holdings Group LLC (“BOX Holdings”) would own and operate the options trading platform as a facility of the Applicant.. Specifically, BOX Market would operate the Boston Options Exchange (“BOX”) options trading platform, which would be operated as a facility of the Applicant, as the successor-in-interest to BOX Options Exchange Group, LLC, which currently operates BOX. BOX would be an all-electronic marketplace for the trading of listed options and would not maintain a physical trading floor. Liquidity on BOX would be derived from orders to buy and orders to sell submitted electronically by order flow providers, as well as from market makers, which would have certain market making obligations. The Applicant’s Form 1 application is available at the Commission’s Public Reference Room and www.sec.gov.

Interested persons are invited to submit written data, views, and arguments concerning the Applicant’s Form 1 application, as amended, including whether the application is consistent with the Exchange Act. In addition to any other areas for which interested persons may wish to submit comments, the Commission seeks comment on the proposed corporate structure of the Applicant. In order to approve the registration, the Commission must find that the Applicant is “so organized and has the capacity to be able to carry out the purposes of [the Exchange Act].”⁴ As noted above, the Applicant, BOX Exchange, would be a separate corporate entity from BOX Market, the owner and operator of its trading facility, BOX. BOX Market would in turn be owned by BOX Holdings. As discussed in further detail in the Form 1 documents, the same persons would own BOX Exchange and BOX Holdings, albeit in different percentages. The Commission requests comment on all aspects of this proposed structure, including:

⁴ See Section 6(b)(1) of the Exchange Act, 15 U.S.C. 78f(b)(1).

- Commenters views on the registration of an entity as a national securities exchange that does not own or operate its trading facility.
- How, if at all, the proposed corporate structure (including that the Applicant will not own the facility) potentially would impact the ability of the Applicant to carry out its statutory obligations to regulate and oversee BOX. If commenters believe there would be an impact, and that the impact could be detrimental, what, if any, steps do commenters think the Commission could take to address the potential impact?
- How, if at all, the proposed corporate structure potentially would impact the ability of the Commission to carry out its oversight responsibilities with respect to BOX Exchange and its trading facility BOX.
- What are commenters' views as to whether the separation of the regulatory and oversight function of the Applicant from the market operations function in the manner proposed would have an impact on the independence of the regulatory function of the Applicant and its ability to fulfill its responsibilities? If commenters believe that there would be an impact, please describe the nature of the impact and the reasoning as to why they believe it would occur.

Comments may be submitted by any of the following methods:

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 10-206) on the subject line.

Paper comments:

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

All submissions should refer to File Number 10-206. 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 Applicant's Form 1 applications filed with the Commission, and all written communications relating to the application 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. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number 10-206 and should be submitted on or before [insert date 45 days from publication in the Federal Register].

By the Commission.

Elizabeth M. Murphy
Secretary

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