

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 20	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2015 - * 07	Amendment No. (req. for Amendments *)
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Filing by BOX Options Exchange LLC.  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**

Provide a brief description of the action (limit 250 characters, required when Initial is checked \*).

Proposal to extend the SPY Pilot Program.

**Contact Information**

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name \* Alanna Last Name \* Barton

Title \* Counsel

E-mail \* abarton@boxregulation.com

Telephone \* (617) 235-2239 Fax

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date 01/26/2015 Counsel

By Alanna Barton

(Name \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Persona Not Validated - 1393879322679,

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

**Form 19b-4 Information \***

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Item 1. Text of Proposed Rule Change

a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder<sup>2</sup>, BOX Options Exchange LLC (the “Exchange”) proposes to amend IM-3120-2 to Rule 3120 to extend the pilot program that eliminated the position limits for options on SPDR S&P 500 ETF (“SPY”) (“SPY Pilot Program”).

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1 and the text of proposed Exchange Rules is attached hereto as Exhibit 5.

- b) Not applicable to application of any other Exchange rule.
- c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by officers of the Exchange pursuant to authority delegated by the Exchange Board of Directors (“Board”) on July 24, 2013. No further action is necessary for the filing of the proposed rule change.

Questions regarding this rule filing may be directed to Alanna Barton, Counsel for the Exchange, at (617) 235-2239.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

- a) Purpose

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

<sup>2</sup> 17 CFR 240.19b-4.

The Exchange proposes to amend IM-3120-2 to Rule 3120 to extend the time period of the SPY Pilot Program,<sup>3</sup> which is currently scheduled to expire on January 27, 2015, through July 12, 2015.

This filing does not propose any substantive changes to the SPY Pilot Program. In proposing to extend the SPY Pilot Program, the Exchange reaffirms its consideration of several factors that supported the original proposal of the SPY Pilot Program, including (1) the availability of economically equivalent products and their respective position limits, (2) the liquidity of the option and the underlying security, (3) the market capitalization of the underlying security and the related index, (4) the reporting of large positions and requirements surrounding margin, and (5) the potential for market on close volatility.

In the original proposal to establish the SPY Pilot Program, the Exchange stated that if it were to propose an extension, permanent approval or termination of the program, the Exchange would submit, along with any filing proposing such amendments to the program, a report providing an analysis of the SPY Pilot Program covering the first twelve (12) months during which the SPY Pilot Program was in effect (the "Pilot Report").<sup>4</sup> Accordingly, the Exchange is submitting the Pilot Report detailing the Exchange's experience with the SPY Pilot Program. The Pilot Report is attached as Exhibit 3 to this filing. The Exchange notes that it is unaware of any problems created by the SPY Pilot Program and does not foresee any as a result of the proposed extension. In extending the SPY Pilot Program, the Exchange states that if it were to propose another extension, permanent approval or termination of the program, the Exchange will submit

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<sup>3</sup> See Securities Exchange Act Release No. 67936 (September 27, 2012), 77 FR 60491 (October 3, 2012) (Notice of Filing and Immediate Effectiveness of SR-BOX-2012-013).

<sup>4</sup> See supra note 3.

another Pilot Report covering the period since the previous extension, which will be submitted at least 30 days before the end of the proposed extension.

b) Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act, in general, and Section 6(b)(5) of the Act, 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, in general, to protect investors and the public interest. The Exchange believes that extending the SPY Pilot Program promotes just and equitable principles of trade by permitting market participants, including market makers, institutional investors and retail investors, to establish greater positions when pursuing their investment goals and needs.

Item 4. 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. The proposed rule change is not designed to address any aspect of competition, whether between the Exchange and its competitors, or among market participants. Instead, the proposed rule change is designed to allow the SPY Pilot Program to continue as other SROs have adopted similar provisions.

Item 5. 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.

Item 6. Extension of Time Periods for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The Exchange believes that the proposed rule change qualifies for immediate effectiveness upon filing as a “non-controversial” rule change in accordance with Section 19(b)(3)(A) of the Act<sup>5</sup> and Rule 19b-4(f)(6)<sup>6</sup> thereunder.

The Exchange asserts that the proposed rule change: (i) will not significantly affect the protection of investors or the public interest; (ii) will not impose any significant burden on competition; and (iii) by its terms, will not become operative for 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 investors and the public interest. Additionally, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, at least five business days prior to the date of filing, or such shorter time as designated by the Commission.

The Exchange believes that extending the SPY Pilot Program is non-controversial and will not significantly affect the protection of investors because it permits market participants to establish greater positions when pursuing their investment goals and needs. At the same time, the Exchange believes that the continued elimination of position limits for SPY options would not increase market volatility or facilitate the ability to manipulate the market.

The Exchange respectfully requests a waiver of the 30-day operative delay so that the proposed rule change may become effective and operative upon filing with the

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<sup>5</sup> 15 U.S.C. § 78s(b)(3)(A).

<sup>6</sup> 17 C.F.R. 240.19b-4(f)(6).

Commission under Section 19(b)(3)(A) of the Act<sup>7</sup> and Rule 19b-4(f)(6)<sup>8</sup> thereunder. The Exchange believes that waiver of the 30-day operative delay is appropriate and will benefit market participants because immediate operability will allow the SPY Pilot Program to continue without interruption.

For the foregoing reasons, the rule filing qualifies for immediate effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4. 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 will institute proceedings to determine whether the proposed rule should be approved or disapproved.

Item 8. Proposed Change Based Upon Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule is substantially similar in all material respects to filings that have been filed by other competing options exchanges.<sup>9</sup>

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

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<sup>7</sup> 15 U.S.C. § 78s(b)(3)(A).

<sup>8</sup> 17 C.F.R. § 240.19b-4(f)(6).

<sup>9</sup> See Securities Exchange Act Release Nos. 74099 (January 20, 2015), 80 FR 4021 (January 26, 2015) (SR-Phlx-2015-07); 73846 (December 16, 2014), 79 FR 76415 (December 22, 2014) (SR-MIAX-2014-64); 73847 (December 16, 2014), 79 FR 76426 (December 22, 2014) (SR-NYSEMKT-2014-106); 72142 (May 9, 2014), 79 FR 27961 (May 15, 2014) (SR-NASDAQ-2014-052); and 72143 (May 9, 2014), 79 FR 27963 (May 15, 2014) (SR-BX-2014-025). See also SR-CBOE-2015-008 filed on January 21, 2015 which proposes to extend pilot program that eliminates position and exercise limits for physically-settled SPDR S&P 500 ETF Trust options through July 12, 2015.

Item 10. Advance Notices Filed Pursuant to Section 806(e) for the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

1. Form of Notice of the Proposed Rule Change for Publication in the Federal Register.
3. Pilot Report.
5. Text of the Proposed Rule Change.



**EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-BOX-2015-07)

Self-Regulatory Organizations; BOX Options Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend IM-3120-2 to Rule 3120 to Extend the Pilot Program that Eliminated the Position Limits for Options on SPDR S&P 500 ETF

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 [DATE], BOX Options Exchange LLC (the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III 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 IM-3120-2 to Rule 3120 to extend the pilot program that eliminated the position limits for options on SPDR S&P 500 ETF (“SPY”) (“SPY Pilot Program”). 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://boxexchange.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

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

<sup>2</sup> 17 CFR 240.19b-4.

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 IM-3120-2 to Rule 3120 to extend the time period of the SPY Pilot Program,<sup>3</sup> which is currently scheduled to expire on January 27, 2015, through July 12, 2015.

This filing does not propose any substantive changes to the SPY Pilot Program. In proposing to extend the SPY Pilot Program, the Exchange reaffirms its consideration of several factors that supported the original proposal of the SPY Pilot Program, including (1) the availability of economically equivalent products and their respective position limits, (2) the liquidity of the option and the underlying security, (3) the market capitalization of the underlying security and the related index, (4) the reporting of large positions and requirements surrounding margin, and (5) the potential for market on close volatility.

In the original proposal to establish the SPY Pilot Program, the Exchange stated that if it were to propose an extension, permanent approval or termination of the program, the Exchange would submit, along with any filing proposing such amendments to the program, a report providing an analysis of the SPY Pilot Program covering the first twelve (12) months during which the SPY Pilot Program was in effect (the "Pilot Report").<sup>4</sup> Accordingly, the Exchange is submitting the Pilot Report detailing the

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<sup>3</sup> See Securities Exchange Act Release No. 67936 (September 27, 2012), 77 FR 60491 (October 3, 2012) (Notice of Filing and Immediate Effectiveness of SR-BOX-2012-013).

<sup>4</sup> See supra note 3.

Exchange's experience with the SPY Pilot Program. The Pilot Report is attached as Exhibit 3 to this filing. The Exchange notes that it is unaware of any problems created by the SPY Pilot Program and does not foresee any as a result of the proposed extension. In extending the SPY Pilot Program, the Exchange states that if it were to propose another extension, permanent approval or termination of the program, the Exchange will submit another Pilot Report covering the period since the previous extension, which will be submitted at least 30 days before the end of the proposed extension.

## 2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act, in general, and Section 6(b)(5) of the Act, 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, in general, to protect investors and the public interest. The Exchange believes that extending the SPY Pilot Program promotes just and equitable principles of trade by permitting market participants, including market makers, institutional investors and retail investors, to establish greater positions when pursuing their investment goals and needs.

### 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. The proposed rule change is not designed to address any aspect of competition, whether between the Exchange and its competitors, or among market participants. Instead, the proposed rule change is designed to allow the SPY Pilot Program to continue as other SROs have adopted similar provisions.

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 believes that the proposed rule change qualifies for immediate effectiveness upon filing as a “non-controversial” rule change in accordance with Section 19(b)(3)(A) of the Act<sup>5</sup> and Rule 19b-4(f)(6)<sup>6</sup> thereunder.

The Exchange asserts that the proposed rule change: (i) will not significantly affect the protection of investors or the public interest; (ii) will not impose any significant burden on competition; and (iii) by its terms, will not become operative for 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 investors and the public interest. Additionally, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, at least five business days prior to the date of filing, or such shorter time as designated by the Commission.

The Exchange believes that extending the SPY Pilot Program is non-controversial and will not significantly affect the protection of investors because it permits market participants to establish greater positions when pursuing their investment goals and needs. At the same time, the Exchange believes that the continued elimination of position limits for SPY options would not increase market volatility or facilitate the ability to manipulate the market.

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<sup>5</sup> 15 U.S.C. § 78s(b)(3)(A).

<sup>6</sup> 17 C.F.R. 240.19b-4(f)(6).

The Exchange respectfully requests a waiver of the 30-day operative delay so that the proposed rule change may become effective and operative upon filing with the Commission under Section 19(b)(3)(A) of the Act<sup>7</sup> and Rule 19b-4(f)(6)<sup>8</sup> thereunder. The Exchange believes that waiver of the 30-day operative delay is appropriate and will benefit market participants because immediate operability will allow the SPY Pilot Program to continue without interruption.

For the foregoing reasons, the rule filing qualifies for immediate effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4. 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 will institute proceedings to determine whether the proposed rule 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 (<http://www.sec.gov/rules/sro.shtml>); or

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<sup>7</sup> 15 U.S.C. § 78s(b)(3)(A).

<sup>8</sup> 17 C.F.R. § 240.19b-4(f)(6).

- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-BOX-2015-07 on the subject line.

#### Paper Comments

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

All submissions should refer to File Number SR-BOX-2015-07. 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, on official business days between the hours of 10:00 a.m. and 3:00 p.m., located at 100 F Street, NE, Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. 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 SR-BOX-2015-07 and should be submitted on or before [date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>9</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>9</sup> 17 CFR 200.30-3(a)(12).

**EXHIBIT 3**SPY Option Position Limit Pilot Program Report

The Exchange received approval to adopt unlimited position and exercise limits for options on the SPDR® S&P 500® ETF (“SPY”) as part of a pilot program (“Pilot”).<sup>1</sup> Subsequently, the Exchange filed to extend the Pilot, originally scheduled to end on November 27, 2013, until January 27, 2015.<sup>2</sup> As part of the Pilot, the Exchange stated, “that if it were to propose an extension, permanent approval or termination of the program, the Exchange would submit, along with any filing proposing such amendments to the program, a report providing an analysis of the SPY Pilot Program covering the first twelve (12) months during which the SPY Pilot Program was in effect (the “Pilot Report”).”<sup>3</sup> Further, the Exchange stated, “The Pilot Report will detail the size and different types of strategies employed with respect to positions established as a result of the elimination of position limits in SPY. In addition, the Pilot Report will note whether any problems resulted due to the no limit approach and any other information that may be useful in evaluating the effectiveness of the pilot program. The Pilot Report will compare the impact of the pilot program, if any, on the volumes of SPY options and the volatility in the price of the underlying SPY shares, particularly at expiration. In preparing the report the Exchange will utilize various data elements such as volume and open interest.”<sup>4</sup>

Impact on SPY Volumes and Volatility

To assess the impact of the SPY Pilot Program on SPY option volumes, the Exchange compared SPY option monthly volume and open interest during January 2013 to December 2013

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<sup>1</sup> See Securities Exchange Act Release No. 67936 (September 27, 2012), 77 FR 60491 (October 3, 2012) (Notice of Filing and Immediate Effectiveness of SR-BOX-2012-013).

<sup>2</sup> See Securities Exchange Act Release No. 70970 (December 3, 2013), 78 FR 73911 (December 9, 2013) (Notice of Filing and Immediate Effectiveness of SR-BOX-2013-53).

<sup>3</sup> Id.

<sup>4</sup> See supra note 2.



(the “Pre-Pilot period”) to SPY option monthly volume and monthly interest during January 2014 to December 2014 (the “Pilot period”) (see Table 1). Year-over-year, SPY volumes increased, as measured by average and median monthly volume, and average and median customer volume.<sup>5</sup>

**TABLE 1: Comparison of SPY Options Volume Pre-Pilot vs. Pilot**

	<b>SPY</b>
Average Monthly Volume Pre-Pilot	810,405
Average Monthly Volume Pilot	1,049,132
Average Monthly Customer Volume Pre-Pilot	615,465
Average Monthly Customer Volume Pilot	903,894
Median Monthly Volume Pre-Pilot	777,289
Median Monthly Volume Pilot	1,108,064
Median Monthly Customer Volume Pre-Pilot <sup>1</sup>	589,465
Median Monthly Customer Volume Pilot <sup>1</sup>	929,031
% Change In Average Monthly Volume Pilot vs Pre-Pilot	29%
% Change in Average Monthly Customer Volume Pilot vs Pre-Pilot <sup>1</sup>	47%
% Change in Median Monthly Volume Pilot vs Pre-Pilot	43%
% Change in Median Monthly Customer Volume Pilot vs Pre-Pilot <sup>1</sup>	58%

<sup>1</sup> Customer volume as reported by activity clearing in the customer range at the Options

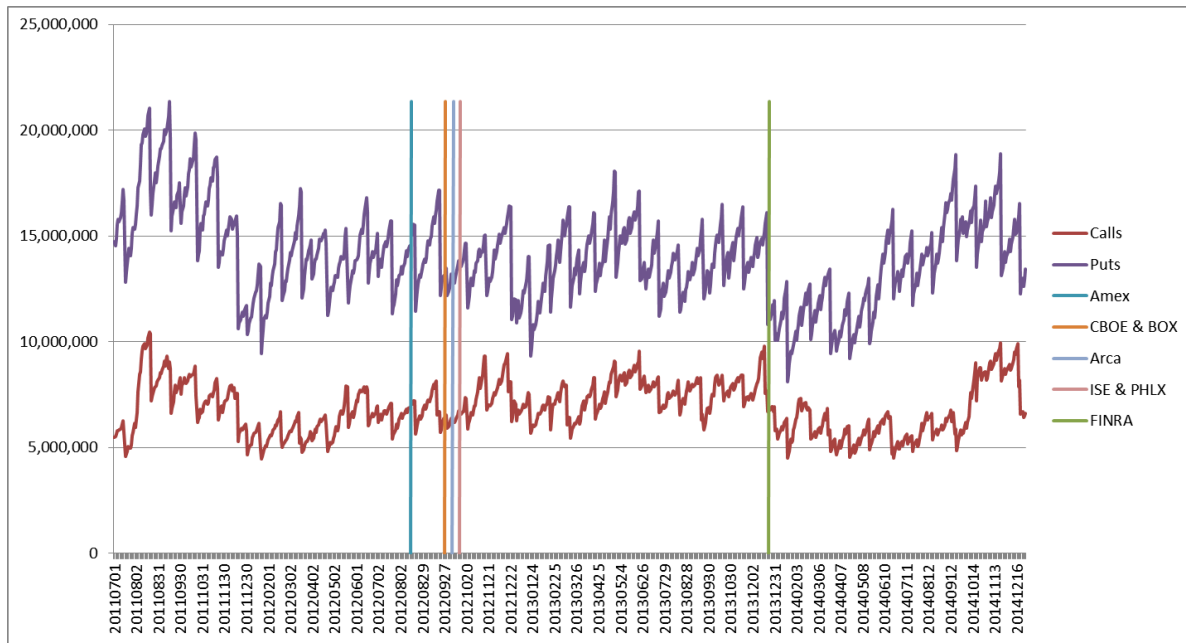
<sup>5</sup> The Exchange notes that while it received approval to adopt unlimited position and exercise limits in October 2012, it was not until January 2014 that all relevant SRO’s adopted unlimited position and exercise limits for SPY. For this reason, the Exchange is using the time period from January 2013 to December 2013 to assess Pre-Pilot activity and the time period from January 2014 to October 2014 to assess Pilot activity.

The Exchange also compared SPY during the Pre-Pilot and Pilot periods and found that open interest declined over the relevant time period (see Table 2).

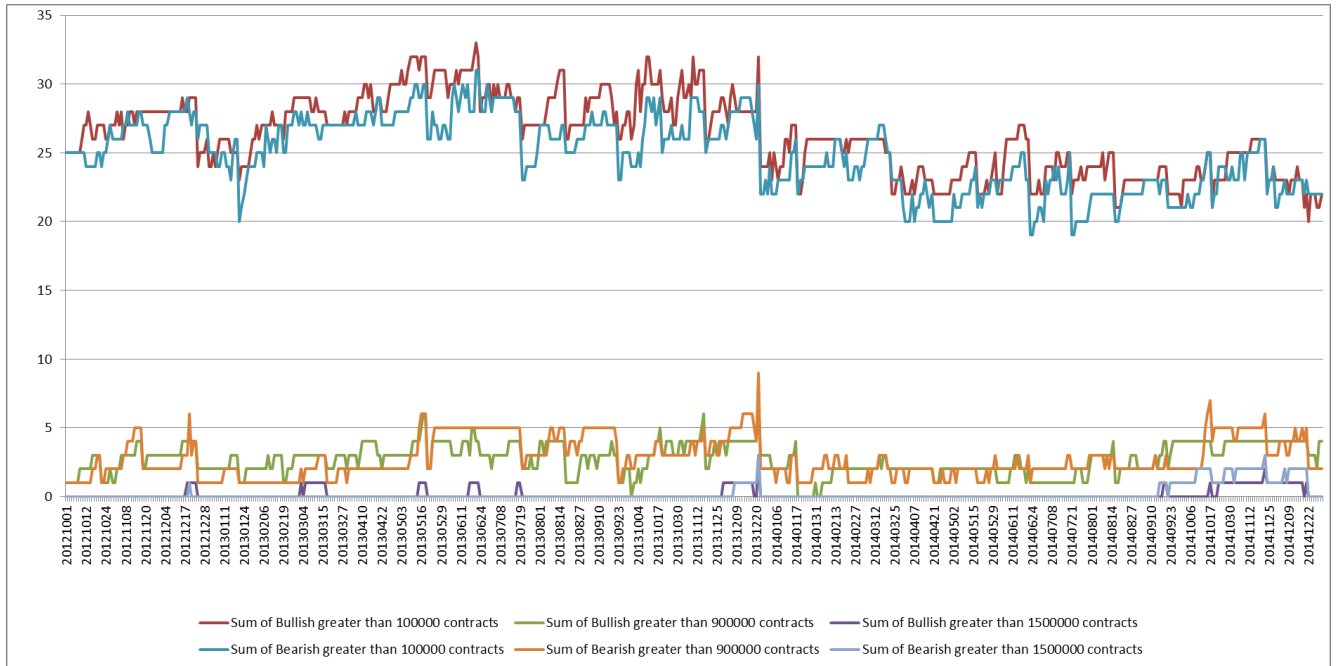
**TABLE 2: Comparison SPY Options Open Interest Pre-Pilot vs. Pilot**

	<b>Pre-Pilot</b>	<b>Pilot</b>
Average Daily Open Interest	20,969,374	19,460,800
Median Daily Open Interest	20,929,733	19,007,297

In addition, the chart below shows open interest at the time each SRO adopted the unlimited position limit for SPY options. There is no discernible impact of the introduction of unlimited position limits on open interest.



Lastly, the Exchange looked at bullish and bearish positions, as required under BOX Rule 3120 (Position Limits). The chart below highlights the trend for bullish positions and bearish positions that exceeded 100,000 contracts, 900,000 contracts and 1,500,000 contracts beginning in October 2012. There is no discernible trend evidenced.



Conclusion

The Exchange believes that there is evidence to support a continuation of the SPY Pilot Program at this time. The Exchange’s study did not reveal any adverse consequences to volatility or changes in open interest due to the SPY Pilot Program. With respect to volume, the SPY Pilot Program has potentially proven to be beneficial to market participants, as demonstrated by the increase in SPY volume during the SPY Pilot when compared to the Pre-Pilot Period.

**EXHIBIT 5**

New language  
 [deleted language]

**BOX Options Exchange LLC**

\* \* \* \* \*

**Rule 3120, Position Limits**

\* \* \* \* \*

**IM-3120-2**

The position limits under Rule 3120 applicable to options on shares or other securities that represent interest in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that satisfy the criteria set forth in Section 5020 of these Rules shall be the same as the position limits applicable to equity options under this Rule 3120, and any Interpretive Material thereunder, except that the position limits under this section applicable to option contracts on the securities listed in the below chart are as follows:

<b>Security Underlying Option</b>	<b>Position Limit</b>
The DIAMONDS Trust (DIA)	300,000 contracts
The Standard and Poor's Depository Receipts Trust (SPY)	None
The iShares Russell 2000 Index Fund (IWM)	500,000 contracts
The PowerShares QQQ Trust (QQQQ)	900,000 contracts
The iShares MSCI Emerging Markets Index Fund (EEM)	500,000 contracts

Position Limits for options on SPDR S&P 500 ETF (SPY) are subject to a pilot program through [January 27]July 12, 2015.

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