



Order Unbundling

TO: BOX Options Market Participants
FROM: BOX Exchange LLC
SUBJECT: Order Unbundling
DATE: September 5, 2025

BOX Exchange LLC ("BOX" or the "Exchange") is issuing this notice to remind Participants that it shall be considered conduct inconsistent with just and equitable principles of trade for any Initiating Participant to engage in a pattern of conduct where the Initiating Participant submits Primary Improvement Orders into the Price Improvement Period ("PIP") process for the purpose of manipulating the PIP process in order to gain a higher allocation percentage than the Initiating Participant would have otherwise received in accordance with the allocation procedures set forth in BOX Rule 7150. See BOX Rule 7150 (Price Improvement Period ("PIP")) and IM-7150-1(a).

Additionally, the unbundling of orders for the sole purpose of achieving the Lead Market Maker ("LMM") or Preferred Market Maker ("PMM") allocation preference for orders of 5 contracts or fewer may be considered conduct inconsistent with just and equitable principles of trade. See BOX Rule 7135(c) (Priority Overlays Applicable to Size Pro Rata Execution Algorithm).¹

Policies and Procedures

Participants are further reminded that they must establish, maintain, and enforce written supervisory procedures that are reasonably designed to achieve compliance with applicable securities laws and regulations and with the applicable rules of the Exchange and therefore should make necessary updates related to activities addressed in this Notice.

¹ Although the Exchange has the authority to offer Pro Rata Priority under its Rules, currently the Exchange does not offer Pro Rata Priority in any classes on the Exchange. Price/Time Priority as described in Rule 7130(a)(4) will continue to be in effect for all options classes until otherwise specified by the Exchange pursuant to a Regulatory Notice. See BOX Rule 7130 and [SR-BOX-2021-11](#) for more information.

Contact

Please review the information provided herein. If you have any questions regarding this information, please contact BOX Regulation at BOXMRC@boxexchange.com.