

specified circumstances, mark-up and mark-down information. For transactions in debt securities (other than U.S. savings bonds and municipal securities) the rule requires the disclosure of redemption and yield information. For transactions in securities futures products in a futures account, the rule permits the disclosure of alternative information. This alternative information includes: the date the transaction was executed; the identity and number of shares bought or sold; the price, the delivery month, and the exchange on which the transaction was executed; the source and amount of any remuneration received or to be received by the broker-dealer in connection with the transaction; whether the broker receives payment for order flow for such transactions; and the fact that other specified information, including whether the broker-dealer is acting as agent or principal, will be available upon written request. Rule 10b-10 also requires broker-dealers to inform their customers if they are not members of the Securities Investor Protection Corporation ("SIPC").

The confirmation has long been a customary document in the securities industry, and it serves several functions, which include: broker-dealers use it as a billing statement; it serves as a customer invoice; it informs customers of the details of transactions and facilitates their checking for errors or misunderstandings; it provides information that helps investors evaluate the cost and quality of services provided by broker-dealers; it discloses conflicts of interest that may arise between investors and broker-dealers; and it safeguards against fraud by helping customers detect problems with transactions.

Rule 10b-10 potentially applies to all the approximately 3,292 broker-dealers that are registered with the Commission and that effect transactions for or with customers. Based on information provided by registered broker-dealers to the Commission in annual Form X-17a-5 Schedule I FOCUS Reports filed from January 1, 2022 to December 31, 2024, the Commission staff estimates that on average, registered broker-dealers process approximately 36,202,574,610 order tickets per year for transactions for or with customers. Each order ticket representing a transaction effected for or with a customer generally results in one confirmation. Therefore, the Commission staff estimates that approximately 36,202,574,610 confirmations are sent to customers annually. Based on information provided by industry participants, Commission staff estimates that it takes

approximately 30 seconds to generate and send a confirmation. As a result, the Commission staff estimates that the annual burden to brokers-dealers to comply with the confirmation delivery requirements of Rule 10b-10 would be approximately 301,688,122 hours (36,202,574,610 confirmation $\times$ 0.5 minutes/confirmation $\times$ 1 hour/60 minutes).

Based on informal discussions with securities industry representatives, as well as representations made in requests for exemptive and no-action letters, Commission staff estimates that broker-dealers use electronic confirmations as their sole confirmations for approximately 35 percent of transactions. Commission staff estimates that broker-dealers continue to send paper confirmations for the remaining 65 percent of transactions. Accordingly, approximately 23,531,673,497 paper confirmations are mailed to customers each year (36,202,574,610 $\times$ 0.65) and 12,670,901,114 wholly electronic confirmations are sent each year (36,202,574,610 $\times$ 0.35).

According to information provided by industry participants, the Commission staff estimates that the average cost for a paper confirmation is 85 cents and the average cost for a wholly electronic confirmation is 40 cents. Accordingly, the Commission staff estimates that the total annual cost associated with generating and mailing paper confirmations is approximately \$20,001,922,473 (23,531,673,497 paper confirmations $\times$ \$0.85 per confirmation) and the total annual cost associated with generating and sending wholly electronic confirmations is approximately \$5,068,360,446 (12,670,901,114 electronic confirmations $\times$ \$0.40 per confirmation). Accordingly, Commission staff estimates that the total annual cost associated with generating and delivering to investors the information required under Rule 10b-10 is approximately \$25,070,282,919 (\$20,001,922,473 + \$5,068,360,446).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202511-3235-005 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by March 2, 2026.

Dated: January 28, 2026.

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2026-01890 Filed 1-29-26; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104694; File No. SR-BOX-2026-02]

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend BOX Rule 5050 (Series of Options Contracts Open for Trading) To Permit the Listing of Up to Two Monday and Wednesday Expirations for Options on Certain Individual Stocks or Exchange-Traded Fund Shares

January 27, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 20, 2026, BOX Exchange LLC ("Exchange") filed with the Securities and Exchange Commission ("Commission") 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 from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend BOX Rule 5050 (Series of Options Contracts Open for Trading). Specifically, the Exchange proposes to amend BOX IM-5050-6 (Short Term Option Series Program) to permit the listing of up to two Monday and Wednesday expirations for options on certain individual stocks or Exchange-Traded Fund Shares. 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 <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,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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 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 BOX Rule 5050 (Series of Options Contracts Open for Trading). Specifically, the Exchange proposes to amend BOX IM-5050-6 (Short Term Option Series Program) to permit the listing of up to two Monday and Wednesday expirations for options on certain individual stocks or Exchange-Traded Fund Shares. This is a competitive filing that is based on a proposal submitted by Nasdaq ISE, LLC ("Nasdaq ISE") and approved by the Commission.³

Specifically, the Exchange proposes to permit the listing of up to two Monday and Wednesday expirations for options on certain individual stocks or Exchange-Traded Fund Shares (collectively "Qualifying Securities"). Currently, as set forth in IM-5050-6, after an option class has been approved for listing and trading on the Exchange as a Short Term Option Series pursuant to BOX Rule 100(a)(66),⁴ the Exchange may open for trading on any Thursday or Friday that is a business day ("Short Term Option Opening Date") series of options on that class that expire at the close of business on each of the next five Fridays that are business days and are not Fridays in which standard

expiration options series, Monthly Options Series, or Quarterly Options Series expire ("Friday Short Term Option Expiration Dates"). The Exchange may have no more than a total of five Short Term Option Expiration Dates ("Short Term Option Weekly Expirations"). Further, if the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date for Short Term Option Weekly Expirations will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on a Friday, the Short Term Option Expiration Date for Short Term Option Weekly Expirations will be the first business day immediately prior to that Friday.

Additionally, the Exchange may open for trading series of options on the symbols provided in Table 1 of IM-5050-6 that expire at the close of business on each of the next two Mondays, Tuesdays, Wednesdays, and Thursdays, respectively, that are business days beyond the current week and are not business days in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire ("Short Term Option Daily Expirations").⁵ For those symbols listed in Table 1, the Exchange may have no more than a total of two Short Term Option Daily Expirations beyond the current week for each of Monday, Tuesday, Wednesday, and Thursday expirations, as applicable, at one time.

Proposal

At this time, the Exchange proposes to expand the Short Term Option Series Program to permit certain Qualifying Securities to list up to two Monday and Wednesday expirations in addition to the Friday weekly expiration. The Exchange proposes to define Qualifying Securities as eligible individual stocks or Exchange-Traded Fund Shares, which are separate and apart from the symbols listed in Table 1, that have received approval to list additional expiries on specific symbols, that meet the following criteria on a quarterly basis:

(1) an underlying security, as measured on the last day of the prior calendar quarter, must have:

(A) a market capitalization of greater than 700 billion dollars for an individual stock based on the closing price,⁶ or

(B) Assets under Management ("AUM") greater than 50 billion dollars for an Exchange-Traded Fund Share based on net asset value ("NAV");

(2) monthly options volume, as measured by sides traded in the last month preceding the quarter end, of greater than 10 million options;

(3) a position limit of at least 250,000 contracts; and

(4) participate in the Penny Interval Program.

Each calendar quarter, the Exchange will apply the above criteria to individual stocks and Exchange-Traded Fund Shares to determine eligibility for the following quarter as a Qualifying Security. Beginning on the second trading day in the first month of each calendar quarter, the market capitalization of individual stocks shall be calculated based on the closing price established on the primary exchange on the last trading day of the prior calendar quarter and the AUM for Exchange-Traded Fund Shares shall be calculated based on the NAV established on the primary exchange on the last trading day of the prior calendar quarter. The data establishing the volume thresholds will be established by using data from the last month of the prior calendar quarter from The Options Clearing Corporation. For options listed on the first trading day of a given calendar quarter, the volume shall be calculated using the last month of the quarter prior to that calendar quarter.⁷ BOX will make the list of Qualifying Securities available by close of business on the first trading day of the quarter.⁸

Eligible Qualifying Securities would be permitted to list two Short Term Option Expiration Dates beyond the current week for each Monday and Wednesday expiration at one time. For Qualifying Securities, the Exchange would not list an expiry on a day when there will be an Earnings Announcement⁹ that takes place after market close. For purposes of this rule proposal, earnings announcements shall include official public quarterly or

³ See Securities Exchange Act Release No. 104624 (January 16, 2026) (SR-ISE-2025-15) (Order Approving a Proposed Rule Change, as Modified by Amendment No. 1, to Amend the Short Term Option Series Program to List Qualifying Securities) ("Nasdaq ISE Filing").

⁴ Rule 100(a)(66) provides that the term "Short Term Option Series" means a series in an option class that is approved for listing and trading on BOX in which the series is opened for trading on any Monday, Tuesday, Wednesday, Thursday or Friday that is a business day and that expires on the Monday, Tuesday, Wednesday, Thursday, or Friday of the next business week, or, in the case of a series that is listed on a Friday and expires on a Monday, is listed one business week and one business day prior to that expiration. If a Tuesday, Wednesday, Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Tuesday, Wednesday, Thursday or Friday, respectively. For a series listed pursuant to this section for Monday expiration, if a Monday is not a business day, the series shall expire on the first business day immediately following that Monday.

⁵ As set forth in Table 1 of IM-5050-6, the Exchange currently permits expirations in SPY, IWM, QQQ on Mondays, Tuesdays, Wednesdays and Thursdays. Also, the Exchange permits expirations in GLD, SLV and TLT on Mondays and Wednesdays. Finally, the Exchange permits expirations in USO and UNG on Wednesdays.

⁶ The closing price and the opening price shall be that of the primary exchange where the security is listed.

⁷ OCC data becomes available for the end of a quarter on the first trading day of a new quarter. For example, if the Exchange were to list Qualifying Securities in Q3 of 2025, BOX would look at the volume, measured in sides, for the last month of Q2 2025 or June 2025.

⁸ BOX will make this information available on BOX's website. This information will be freely accessible to the public.

⁹ An Earnings Announcement is an official public statement of a company's profitability for a specific period, typically a quarter or a year.

yearly earnings filed with the Commission (“Earnings Announcement”).¹⁰ Not listing an expiry for a Qualifying Security on a day where there is an Earnings Announcement that takes place after market close will avoid permitting an additional expiry on a day where post-close price volatility may be impacted due to the Earnings Announcement.

Qualifying Securities that do not continue to meet the above criteria would no longer be permitted to list Monday and Wednesday expiries beginning on the second day of the following quarter.¹¹

The proposed Monday Qualifying Securities expirations will be similar to the current Monday Expirations in SPY, QQQ, and IWM (among other symbols that may list a Monday Expiration) in Short Term Option Daily Expirations set forth in IM-5050-6, such that the Exchange may open for trading on any Friday or Monday that is a business day (beyond the current week) series of options on Qualifying Securities to expire on any Monday of the month that is a business day and is not a Monday in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire, provided that Monday expirations that are listed on a Friday must be listed at least one business week and one business day prior to the expiration (“Monday Qualifying Securities Expirations”).¹² In the event Qualifying Securities would expire on a Monday and that Monday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks of Monday Qualifying Securities Expirations would therefore not be consecutive. Today, Monday expirations in SPY, QQQ, and IWM similarly skip the weekly listing in the event the weekly listing would expire on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The proposed Wednesday Qualifying Securities expirations will be similar to the current Wednesday SPY, QQQ, and IWM (among other symbols that may list a Wednesday Expiration) in Short Term

Option Daily Expirations set forth in IM-5050-6, such that the Exchange may open for trading on any Tuesday or Wednesday that is a business day (beyond the current week) series of options on Qualifying Securities to expire on any Wednesday of the month that is a business day and is not a Wednesday in which standard expiration options series, Monthly Options Series, or Quarterly Options Series expire (“Wednesday Qualifying Securities Expirations”).¹³ In the event Qualifying Securities would expire on a Wednesday and that Wednesday is the same day that a standard expiration options series, Monthly Options Series, or Quarterly Options Series expires, the Exchange would skip that week’s listing and instead list the following week; the two weeks of Wednesday Qualified Securities Expirations would therefore not be consecutive. Today, Wednesday expirations in SPY, QQQ, and IWM similarly skip the weekly listing in the event the weekly listing would expire on the same day in the same class as a standard expiration options series, Monthly Options Series, or Quarterly Options Series.

The interval between strike prices for the proposed Monday and Wednesday Qualifying Securities Expirations will be the same as those currently applicable for SPY, QQQ, and IWM Monday and Wednesday Expirations (among other symbols that may list a Monday or Wednesday Expiration) in the Short Term Option Series Program.¹⁴ Specifically, the Monday and Wednesday Qualifying Securities Expirations will have a strike interval of (i) \$0.50 or greater for strike prices below \$100, and \$1 or greater for strike prices between \$100 and \$150 for all option classes that participate in the Short Term Option Series Program, (ii) \$0.50 for option classes that trade in one dollar increments in Related non-short Term Options and are in the Short Term Option Series Program, or (iii) \$2.50 or greater for strike prices above \$150.¹⁵ As is the case with other equity options series listed pursuant to the Short Term Option Series Program, the Monday and Wednesday Qualifying Securities Expirations series will be P.M.-settled.

Pursuant to Rule 100(a)(66), with respect to the Short Term Option Series Program, if a Monday is not a business day, the series shall expire on the first business day immediately following that

Monday. Also, pursuant to Rule 100(a)(66), with respect to the Short Term Option Series Program, a Wednesday expiration series shall expire on the first business day immediately prior to that Wednesday, e.g., Tuesday of that week if the Wednesday is not a business day.

Currently, for each option class eligible for participation in the Short Term Option Series Program, the Exchange is limited to opening thirty (30) series for each expiration date for the specific class.¹⁶ The thirty (30) series restriction does not include series that are open by other securities exchanges under their respective weekly rules; the Exchange may list these additional series that are listed by other options exchanges.¹⁷ With the proposed changes, this thirty (30) series restriction would apply to Monday and Wednesday Qualifying Securities Expirations as well. In addition, the Exchange will be able to list series that are listed by other exchanges, assuming they file similar rules with the Commission to list Monday and Wednesday Qualifying Securities Expirations.

With this proposal, Monday and Wednesday Qualifying Securities Expirations would be treated similar to existing SPY, QQQ, and IWM Monday and Wednesday Expirations. With respect to standard expiration option series, Monday and Wednesday Qualifying Securities Expirations will be permitted to expire in the same week in which standard expiration option series on the same class expire.¹⁸ Not listing Monday and Wednesday Qualifying Securities Expirations for one week every month because there was a standard options series on that same class on the Friday of that week would create investor confusion.

Further, as with SPY, QQQ, and IWM Monday and Wednesday Expirations, the Exchange would not permit Monday and Wednesday Qualifying Securities Expirations to expire on a business day in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire.¹⁹ Therefore, all Monday and Wednesday Qualifying Securities Expirations would expire at the close of business on each of the next two Mondays and Wednesdays, respectively, that are business days and are not business days in which standard expiration option series, Monthly Options Series, or Quarterly Options Series expire. The

¹⁰ For purposes of this rule proposal, pre-announcements or “guidance” shall not be considered an Earnings Announcement.

¹¹ The Exchange has noted the additional expiries in a proposed Table 2 in IM-5050-6 along with the criteria for a Qualifying Security.

¹² They may also trade on Fridays, as is the case for all options series in the Short Term Option Series Program.

¹³ See *id.*

¹⁴ See BOX IM-5050-6. The Exchange notes that equity options which have an expiration of more than twenty-one days from the listing date would also be subject to the intervals as noted within IM-5050-6. See also IM-5050-11.

¹⁵ See *id.*

¹⁶ See BOX IM-5050-6.

¹⁷ See *id.*

¹⁸ See *id.*

¹⁹ See BOX IM-5050-6.

Exchange believes that it is reasonable to not permit two expirations on the same day in which a standard expiration option series, Monthly Options Series, a Quarterly Options Series would expire because those options would be duplicative of each other.

The Exchange does not believe that any market disruptions will be encountered with the introduction of Monday and Wednesday Qualifying Securities Expirations. The Exchange currently trades P.M.-settled Short Term Option Series that expire Monday, Tuesday, Wednesday and Thursday on several symbols²⁰ and has not experienced any market disruptions nor issues with capacity.²¹ Today, the Exchange has surveillance programs in place to support and properly monitor trading in Short Term Option Series that expire Monday, Tuesday, Wednesday and Thursday on several symbols.²² The Exchange believes that it has the necessary capacity and surveillance programs in place to support and properly monitor trading in the proposed Monday and Wednesday Qualifying Securities Expirations.

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),²³ in general, and Section 6(b)(5) of the Act,²⁴ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and

coordination with persons engaged in facilitating transactions in securities, 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.

Similar to Monday expirations in SPY, QQQ, and IWM, the proposal to permit Monday and Wednesday Qualifying Security Expirations, subject to the proposed limitation of two expirations beyond the current week, would protect investors and the public interest by providing the investing public and other market participants more choice and flexibility to closely tailor their investment and hedging decisions in these options and allow for a reduced premium cost of buying portfolio protection, thus allowing them to better manage their risk exposure.

The Exchange believes that the proposed criteria for Qualifying Securities requires individual stocks and Exchange-Traded Fund Shares to be highly liquid. A market capitalization measured on the last day of the prior calendar quarter based on the closing price of the underlying, of greater than 700 billion dollars for an individual stock, or AUM of 50 billion dollars for an Exchange-Trade Fund Share, in conjunction with the monthly options volume requirement of greater than 10 million options as measured by sides traded in the last month preceding the quarter end, is very restrictive. As provided in the ISE filing, this requirement represents substantially less than 1% of individual stocks (only eight (8) individual stocks currently exist as of January 1, 2025) and substantially less than 1% of Exchange-Traded Fund Shares (only seven (7) Exchange-Traded Fund Shares currently exist as of January 1, 2025, pursuant to Rule 5020, to trade additional expiries) traded.²⁵ Therefore, an individual stock or Exchange-Traded Fund Share that meets the aforementioned market capitalization and volume requirements are highly liquid and could be viewed as stable securities, as evidenced by the very low average realized volatility experienced by the Sample Qualifying Securities in the last 30 minutes of trading before the close in 2024 as compared to any security that traded an average of more than 100 options contracts per day.²⁶

The Exchange notes that with respect to position limits, Rule 3120(d)(5) provides, that “[t]o be eligible for the 250,000 contract limit, either the most recent six (6) month trading volume of the underlying security must have totaled at least 100 million shares or the most recent six-month trading volume of the underlying security must have totaled at least seventy-five (75) million shares and the underlying security must have at least 300 million shares currently outstanding.” The 250,000 contract position limit is the highest position limit with the exception of certain products listed in IM-3120-2. Options that qualify for the 250,000 position (and exercise) limit are highly liquid securities that have met the stringent requirements noted in Rule 3120(d)(5) to qualify for the highest position limit.

Finally, a Qualifying Security must participate in the Penny Interval Program. In order to qualify for the Penny Interval Program, an options class must be among the 300 most actively traded multiply listed option classes overlying securities priced below \$200.²⁷ The most actively traded options classes are included in the Penny Interval Program based on certain objective criteria (trading volume thresholds and initial price tests).

The number of individual stocks currently meeting all four criteria for a Qualifying Security is eight (8) and the number of Exchange-Traded Fund Shares currently meeting all four criteria for a Qualifying Security that do not already have Monday and Wednesday expirations is one (1) as of June 27, 2025. Both totals represent less than 0.2% of all securities with options listed. The Exchange believes that since individual stocks are the dominant constituents of the broad-based indexes (e.g., S&P 500 Index and Nasdaq-100 Index), the improvement in price transparency brought about by Monday and Wednesday trading will offer Market Makers and investors better volatility pricing which will inform trading on the related products to these indexes. The Exchange believes that the proposed criteria for Qualifying Securities is consistent with the protection of investors and the general public because the criteria targets the most liquid individual stocks and Exchange-Traded Fund Shares.

The Exchange would not list an expiry on a Qualifying Security on a day where there will be an Earnings

²⁰ See *supra* note 5.

²¹ In its filing to permit the listing of up to two Monday and Wednesday expirations for options on certain Qualifying Securities, ISE provided charts and analysis demonstrating the percentage of weekly listings in the options industry compared to monthly, quarterly, and Long-Term Options Series for a twelve-month period ending on February 11, 2025. The information includes time averaged data (the number of strikes by maturity date divided from the number of trading days) for all 18 options markets through February 11, 2025. The ISE Filing provides further that the Sample Qualifying Securities (selected based on January 2025 data) have an average annualized closing volatility of generally less than 20% and are more volatile than SPY, QQQ and IWM, but given that these are individual stocks it is reasonable to expect that they have idiosyncratic characteristics (increasing their volatility) relative to broad based Exchange-Traded Fund Shares like SPY, QQQ and IWM. ISE sourced this information, which are estimates, from OCC. See Securities Exchange Act Release No. 103434 (July 10, 2025), 90 FR 31716 (July 15, 2025) (SR-ISE-2025-15) (Notice of Filing of Amendment No. 1 to a Proposed Rule Change to Amend the Short Term Option Series Program to List Qualifying Securities).

²² See *supra* note 5.

²³ 15 U.S.C. 78f(b).

²⁴ 15 U.S.C. 78f(b)(5).

²⁵ See Securities Exchange Act Release No. 103434 (July 10, 2025), 90 FR 31716 (July 15, 2025) (SR-ISE-2025-15) (Notice of Filing of Amendment No. 1 to a Proposed Rule Change to Amend the Short Term Option Series Program to List Qualifying Securities).

²⁶ *Id.*

²⁷ See BOX Rule 7260. Each December OCC ranks all multiply listed option classes based on National Cleared Volume for the six full calendar months from June 1 through November 30 for determination of the most actively traded option classes.

Announcement that takes place after market close to avoid post-close price volatility that may arise from the Earnings Announcement and which may impact exercise and/or assignment decisions.

Qualifying Securities that do not continue to meet the above criteria would no longer be permitted to list Monday and Wednesday expiries in the following quarter, although the Qualifying Security would potentially have two weeks of strikes already listed which will persist. These remaining listings could continue to be traded until they expire.

With this proposal, overall, the Exchange would add a small number of Monday and Wednesday Qualifying Security Expirations by limiting the addition of two Monday expirations and two Wednesday expirations beyond the current week. The addition of Monday and Wednesday Qualifying Security Expirations would remove impediments to and perfect the mechanism of a free and open market by encouraging Market Makers to continue to deploy capital more efficiently and improve displayed market quality.²⁸ The Exchange believes that the proposal will allow Participants to expand hedging tools and tailor their investment and hedging needs more effectively in Qualifying Securities as these funds are most likely to be utilized by market participants to hedge the underlying asset classes.

Similar to SPY, QQQ, and IWM Monday and Wednesday Expirations, the introduction of Monday and Wednesday Qualifying Security Expirations is consistent with the Act as it will, among other things, expand hedging tools available to market participants and allow for a reduced premium cost of buying portfolio protection. The Exchange believes that Monday and Wednesday Qualifying Security Expirations will allow market participants to purchase options on Qualifying Securities based on their timing as needed and allow them to tailor their investment and hedging needs more effectively, thus allowing them to better manage their risk exposure. Today, BOX lists other Monday and Wednesday expirations.²⁹

In particular, the Exchange believes the Short Term Option Series Program has been successful to date and that Monday and Wednesday Qualifying Security Expirations should simply expand the ability of investors to hedge risk against market movements

stemming from economic releases or market events that occur throughout the month in the same way that the Short Term Option Series Program has expanded the landscape of hedging.

There are no material differences in the treatment of SPY, QQQ and IWM Monday and Wednesday Expirations compared to the proposed Monday and Wednesday Qualifying Security Expirations. Given the similarities between SPY, QQQ and IWM Monday and Wednesday Expirations and the proposed Monday and Wednesday Qualifying Security Expirations, the Exchange believes that applying the provisions in IM-5050-6 that currently apply to SPY, QQQ and IWM Monday and Wednesday Expirations is justified. The ISE Filing provided that, related to calls in SPY on April 2, 2025, the vast majority of open contracts (over 90%) were liquidated by customers prior to the close. Of the remaining open contracts, a substantial portion were rationally abandoned. In considering what constitutes rational activity on the part of a market participant in determining whether to exercise, especially in the strike near the 5:00 p.m. price, it must be taken into account that some market participants may elect to hold a contract given the illiquidity of the time period, and the desire for long exposure despite a trade price that may be lower. In other words, it cannot be assumed that customers are unaware of the market conditions, or their ability to liquidate. Also, it cannot be assumed that the customer would always liquidate in these circumstances. As provided in the ISE Filing, customers with calls in SPY on April 2, 2025 had a very high liquidation ratio which is evidenced by comparing the unabandoned contracts to the entire pool of long contracts throughout the day. With respect to the put data for SPY on April 2, 2025, the ISE Filing provides that out-of-the-money options were either liquidated or exercised. Only a small percentage of put options went unexercised. Additionally, it can be observed that very few puts remained unexercised at the higher strikes where opportunity for profit and less risk exists. This is in contrast to puts on lower strikes where opportunity for profit relative to the risk of the short is greater. In particular, with respect to the risk exposure of put writers, the exposure to an event similar to April 2, 2025 for the proposed Wednesday expirations would be substantially similar to the current risk that a put writer is exposed to with Friday expirations. In other words, the day of the expiry does not increase or decrease

the amount of risk of a put writer, but for the premium difference. Additionally, the Exchange believes that since the rational abandonment and out-of-the-money exercise rates were so high, as evidenced in the ISE Filing, it is clear that customers are largely aware of the exposure between 4:00 and 5:00 p.m. ET and therefore, the risk from the unliquidated position is undertaken knowingly.

Additionally, market participants that elect to utilize options receive a copy of the ODD which explains the risks inherent in options trading. Also, broker-dealers must have a reasonable basis to believe that a recommended transaction or investment strategy involving a security or securities is suitable for the customer.³⁰ Suitability rules are intended to distinguish the trading of customers with those of professional traders who are likely to have distinct risk/reward profiles, risk tolerance and capital. Regardless of whether the account is self-directed or options are being recommended, broker-dealers must perform due diligence on the customer and collect information about the customer to support a determination that options trading is appropriate for the customer. Options accounts are subject to specific supervisory reviews, including, among others, reviewing the compatibility of options transactions with investment objectives and with the types of transactions for which the account was approved, and are subject to other FINRA rules that apply when opening customer accounts, including among others, customer identification requirements under anti-money laundering rules.³¹ Therefore, the Exchange does not believe that listing of up to two Monday and Wednesday expirations for options on certain individual stocks or Exchange-Traded Fund Shares is inconsistent with the Act.

BOX represents that it has an adequate surveillance program in place to detect manipulative trading in the proposed option expirations, in the same way that it monitors trading in the current Short Term Option Series for Monday and Wednesday SPY, QQQ and IWM expirations. The Exchange also represents that it has the necessary system capacity to support the new expirations. Finally, the Exchange does not believe that any market disruptions will be encountered with the introduction of these option expirations. As discussed above, the Exchange

²⁸ Today, Market Makers are required to quote a specified time in their assigned options series. See BOX Rule 8050.

²⁹ See BOX IM-5050-6 at Table 1.

³⁰ See FINRA Rule 2111.

³¹ See <https://www.finra.org/rules-guidance/notices/21-15>.

believes that its proposal is a modest expansion of weekly expiration dates for Monday and Wednesday Qualifying Security Expirations given that it will be limited to two Monday expirations and two Wednesday expirations beyond the current week.

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. In this regard and as indicated above, the Exchange notes that the rule change is being proposed as a competitive response to a filing submitted by Nasdaq ISE that was recently approved by the Commission.³²

While the proposal will expand the Short Term Options Expirations to allow Monday and Wednesday Qualifying Security Expirations to be listed on BOX, the Exchange believes that this limited expansion for Monday and Wednesday expirations for options on Qualifying Securities will not impose an undue burden on competition; rather, it will meet customer demand. The Exchange would uniformly apply the Qualifying Security criteria to options in individual stocks and Exchange-Traded Fund Shares. The Exchange believes that Participants will continue to be able to expand hedging tools and tailor their investment and hedging needs more effectively in the Qualifying Securities.

Similar to SPY, QQQ and IWM Monday and Wednesday Expirations, the introduction of Monday and Wednesday Qualifying Security Expirations does not impose an undue burden on competition. The Exchange believes that it will, among other things, expand the hedging tools available to market participants and allow for a reduced premium cost of buying portfolio protection. The Exchange believes that Monday and Wednesday Qualifying Security Expirations will allow market participants to purchase options on Qualifying Securities based on their timing as needed and allow them to tailor their investment and hedging needs more effectively.

Further, not adding an expiry for a Qualifying Security on a day where there will be an Earnings Announcement that takes place after market close does not impose an undue burden on competition as the Exchange would uniformly apply this practice to the listing of all Qualifying Securities.

The Exchange does not believe the proposal will impose any burden on

inter-market competition, as nothing prevents other options exchanges from proposing similar rules to list and trade Monday and Wednesday Qualifying Security Expirations. Further, the Exchange does not believe the proposal will impose any burden on intra-market competition, as all market participants will be treated in the same manner under this proposal.

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

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 prior to 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, the proposed rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act³³ and Rule 19b-4(f)(6) thereunder.³⁴

A proposed rule change filed under Rule 19b-4(f)(6)³⁵ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),³⁶ 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 proposal may become operative immediately upon filing. According to the Exchange, waiver of the operative delay would allow the Exchange to compete with one other exchange that has approval to list and trade the same option series.³⁷ The Commission believes that the proposed rule change presents no novel issues and 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 proposal operative upon filing.³⁸

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)³⁹ of the Act to determine whether the proposed rule change 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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-BOX-2026-02 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-2026-02. 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

³³ 15 U.S.C. 78s(b)(3)(A)(iii).

³⁴ 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.

³⁵ 17 CFR 240.19b-4(f)(6).

³⁶ 17 CFR 240.19b-4(f)(6)(iii).

³⁷ See *supra* note 3.

³⁸ 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).

³⁹ 15 U.S.C. 78s(b)(2)(B).

³² See *supra* note 3.

to file number SR–BOX–2026–02 and should be submitted on or before February 20, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁰

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2026–01826 Filed 1–29–26; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–104696; File No. SR–NYSEAMER–2026–05]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the NYSE American Options Fee Schedule To Waive the Combined Cap on Floor Broker Credits Paid for QCC Trades and Rebates Paid Through the Manual Billable Rebate Program for the Months of January and February 2026

January 27, 2026.

Pursuant to Section 19(b)(1) ¹ of the Securities Exchange Act of 1934 (“Act”) ² and Rule 19b–4 thereunder, ³ notice is hereby given that, on January 21, 2026, NYSE American LLC (“NYSE American” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 modify the NYSE American Options Fee Schedule (“Fee Schedule”) to waive the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program for the months of January and February 2026. The proposed rule change is available on the Exchange’s website at www.nyse.com and at the principal office of the Exchange.

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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this filing is to amend the Fee Schedule to waive the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program for the months of January and February 2026.

The Exchange imposes a limit on the maximum combined Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program per month per Floor Broker firm (the “Cap”).⁴ The Exchange recently filed a proposed rule change to increase the amount of the Cap from \$3,000,000 to \$4,000,000 based on sustained, elevated open outcry volumes in 2025.⁵ Because open outcry volumes on the Exchange remain elevated, the Exchange proposes to waive the Cap for the months of January and February 2026 and to use the period during which the Cap is waived to evaluate further adjustments to the amount of the Cap.⁶

As with previous waivers,⁷ the proposed waiver is being adopted in anticipation of Floor Broker firms

reaching the Cap before month’s end and potentially redirecting their order flow away from the Exchange. In the absence of the proposed waiver, Floor Broker firms may choose to re-direct such order flow to a competing market. Accordingly, the purpose of the proposal is to encourage Floor Broker firms to continue to direct open outcry transactions to the Exchange, despite increasing industry volumes making it less difficult to reach the Cap (even at the Cap’s newly increased amount).

Although the Exchange cannot predict with certainty how many Floor Broker firms would be impacted by this change, the Exchange believes that the proposed changes would incent Floor Brokers to continue to direct their order flow to the Exchange, thus increasing liquidity to the benefit of all market participants.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁸ in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,⁹ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The proposed changes to the Fee Schedule are reasonable, equitable, and not unfairly discriminatory. As a threshold matter, the Exchange is subject to significant competitive forces in the market for options securities transaction services that constrain its pricing determinations in that market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”¹⁰

There are currently 18 registered options exchanges competing for order flow. Based on publicly-available information, and excluding index-based options, no single exchange has more than 16% of the market share of

⁴ See Fee Schedule, Sections I.F. and III.E.1 (providing, in relevant part, that Floor Broker credits paid for QCC trades and rebates paid through the Manual Billable Rebate Program shall not combine to exceed \$4,000,000 per month per Floor Broker firm).

⁵ See SR–NYSEAMER–2026–03, available at <https://www.nyse.com/publicdocs/nyse/markets/nyse-american/rule-filings/filings/2026/SR-NYSEAMER-2026-03.pdf>.

⁶ See proposed Fee Schedule, Sections I.F. and III.E.1.

⁷ See Securities Exchange Act Release Nos. 102890 (April 18, 2025), 90 FR 17273 (April 24, 2025) (SRNYSEAMER–2025–26); 102985 (May 2, 2025), 90 FR 19584 (May 8, 2025) (SR–NYSEAMER–2025–27); 103623 (August 1, 2025), 90 FR 37905 (August 6, 2025) (SR–NYSEAMER–2025–46); 104258 (November 25, 2025), 90 FR 55186 (December 1, 2025) (SR–NYSEAMER–2025–65).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4) and (5).

¹⁰ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (S7–10–04) (“Reg NMS Adopting Release”).

⁴⁰ 17 CFR 200.30–3(a)(12) and (59).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b–4.