



**BOX**<sup>SM</sup>  
REGULATION

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Regulatory Circular

RC-2016-09

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**TO:** BOX Options Participants  
**FROM:** BOX Regulation  
**SUBJECT:** Statutory Disqualification  
**DATE:** August 10, 2016

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Effective **August 24, 2016** BOX Options Exchange ("BOX") is amending BOX Rule 2040 regarding Participants and persons associated with Participants who become subject to a statutory disqualification under the Exchange Act.

Changes to BOX Rule 2040 include:

- A Participant or person associated with a Participant that becomes subject to a statutory disqualification and who wants to continue as a Participant of the Exchange or in association with a Participant, must now submit a request to the Exchange seeking to continue as a Participant or in association with a Participant notwithstanding the statutory disqualification **within thirty (30) days** of becoming subject to the statutory disqualification.

Requests may be submitted to [regulation@boxregulation.com](mailto:regulation@boxregulation.com).

- A Participant or person associated with a Participant whose request to become a Participant is denied or conditioned, or who is not permitted to continue on as or be an associated with a Participant may now appeal the Exchange's decision under BOX Rule 13000.
- The Exchange may now waive the provisions of BOX Rule 2040 when a proceeding is pending before another SRO or similar association to determine whether to permit a Participant or associated person to become or continue being a Participant or associated person notwithstanding a statutory disqualification.

For a complete overview of the proposed changes to Rule 2040 please see [SR-BOX-2016-26](#).

### **Contact**

Please review the information provided herein. If you have any questions regarding this information, please contact BOX Regulation at [BOXMRC@BOXregulation.com](mailto:BOXMRC@BOXregulation.com).