



BOXSM
REGULATION

Regulatory Circular

RC-2012-04

TO: BOX Participants
FROM: BOX Regulation
SUBJECT: Quote Removal Mechanism Upon Technical Disconnect
DATE: May 1, 2012

The Quote Removal Mechanism will remove Market Maker quotes in the event that Market Makers lose communication with the BOX Trading Host due to a loss of connectivity between their designated BOX Gateway and the BOX Trading Host. Until further notice, a period of five (5) seconds of no technical connectivity will trigger the Mechanism.

This circular discusses the major highlights of the Quote Removal Mechanism Upon Technical Disconnect and is not intended to be a comprehensive description of the Rule regarding the Mechanism. For more details regarding the Mechanism please refer to Rule 8140 (Quote Mechanism Upon Technical Disconnect) of the BOX Rules.

Please review the information provided herein. If you have any questions regarding this information, please contact Ken Meaden, Chief Regulatory Officer, at (617) 235-2258.