

review the use of AI in NRC-regulated activities.

The draft AI Strategic Plan establishes five strategic goals to ensure the agency’s readiness to review the use of AI in NRC-regulated activities. The five strategic goals are: (1) ensure NRC readiness for regulatory decisionmaking, (2) establish an organizational framework to review AI applications, (3) strengthen and expand AI partnerships, (4) cultivate an AI proficient workforce, and (5) pursue use cases to build an AI foundation across the NRC.

**IV. Requested Information and Comments**

The NRC is interested in obtaining input from stakeholders, including professional organizations, and interested individuals. The focus of the request is to gather information that will permit the NRC staff to develop and

refine the draft AI Strategic Plan. The NRC welcomes comments from the public on any areas that they believe are relevant to these topics, and is particularly interested in receiving input on the following questions:

1. Are there any specific recommendations or improvements to consider in the development of the AI Strategic Plan?
2. What goals, objectives, or strategies within the NRC’s current strategic plan should be added, enhanced, or modified in the AI Strategic Plan?
3. What are potential near-term, or far-term, AI activities that the NRC should be aware when finalizing and prioritizing the AI Strategic Plan, or associated supporting research?
4. What are potential challenges the NRC should be aware when preparing to review potential use of AI in nuclear applications?

**V. Public Meeting Information**

The NRC staff will hold a virtual public meeting on August 3, 2022, to receive comments on the draft AI Strategic Plan. A telephone line will also be used for the public to submit oral comments. A court reporter will be recording all comments received during the webinar and the transcript of the meeting will be made publicly available. Additionally, the NRC will discuss the agency’s activities related to the development of the AI Strategic Plan or supporting activities for public input and comment on these activities and will continue to seek the views of stakeholders in identifying opportunities to improve the underlying strategic plan. The date and time for the virtual public meeting is as follows:

Date	Time	Location
August 3, 2022 .....	1:00 p.m. to 3:00 p.m. ET ....	Webinar Information: <a href="https://teams.microsoft.com/registration/dRTQ6LXDakOgZV3vTGT1Lg,dY0urqMKG0-Gm00Y91vqrg,N7h1Wo8JnEK5NUMTldvEqw,2FYud_DrR0260xwKOK2vAA,uJlylZhqmqUGq9FnYzVx0g,m1ErSd8hxEO1k_cLUoH9eQ?mode=read&amp;tenantId=e8d01475-c3b5-436a-a065-5def4c64f52e&amp;webinarRing=gcc">https://teams.microsoft.com/registration/dRTQ6LXDakOgZV3vTGT1Lg,dY0urqMKG0-Gm00Y91vqrg,N7h1Wo8JnEK5NUMTldvEqw,2FYud_DrR0260xwKOK2vAA,uJlylZhqmqUGq9FnYzVx0g,m1ErSd8hxEO1k_cLUoH9eQ?mode=read&amp;tenantId=e8d01475-c3b5-436a-a065-5def4c64f52e&amp;webinarRing=gcc</a> . Telephone Access: Bridgeline: 301-576-2978. Participant Access Code: 654 033 041.

Persons interested in attending this meeting should monitor the NRC’s Public Meeting Schedule website at <https://www.nrc.gov/pmns/mtg> for additional information, the meeting agenda, information on how to provide verbal comments, and access information for the meeting. Those wishing to make verbal comments at the meeting should follow instructions listed on the NRC’s Public Meeting Schedule website.

The NRC may post additional materials related to this document, including public comments, on the Federal rulemaking website. In addition, the Federal rulemaking website allows members of the public to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) navigate to the docket folder (NRC-2022-0095); (2) click the “Subscribe” link; and (3) enter an email address and click on the “Subscribe” link.

Dated: June 29, 2022.

For the Nuclear Regulatory Commission.

**Luis D. Betancourt,**

Chief, Accident Analysis Branch, Division of Safety Analysis, Office of Nuclear Regulatory Research.

[FR Doc. 2022-14239 Filed 7-1-22; 8:45 am]

**BILLING CODE 7590-01-P**

**POSTAL REGULATORY COMMISSION**

**Sunshine Act Meeting**

**TIME AND DATE:** July 22, 2022, at 11:00 a.m. Eastern Daylight Time.

**PLACE:** The meeting will take place virtually and be accessible through the Commission’s website at <http://www.prc.gov>.

**STATUS:** The Postal Regulatory Commission will hold a public meeting to discuss the agenda item outlined below.

**MATTERS TO BE CONSIDERED:** The agenda for the Commission’s July 22, 2022 meeting includes the item identified below.

**PORTIONS OPEN TO THE PUBLIC:** 1. Commissioners meet to discuss and vote on a Fiscal Year 2023 budget to submit to the Postal Service Governors for consideration pursuant to 39 U.S.C. 504(d).

**CONTACT PERSON FOR MORE INFORMATION:** David A. Trissell, General Counsel, Postal Regulatory Commission, 901 New York Avenue NW, Suite 200, Washington, DC 20268-0001, at 202-789-6820 (for agenda-related inquiries) and Erica A. Barker, Secretary of the Commission, at 202-789-6800 or [erica.barker@prc.gov](mailto:erica.barker@prc.gov) (for changes in

date or time of the meeting, the virtual webcast, or similar matters). The Commission’s website may also provide information on changes in the date or time of the meeting.

By the Commission.

**Erica A. Barker,**  
Secretary.

[FR Doc. 2022-14324 Filed 6-30-22; 4:15 pm]

**BILLING CODE 7710-FW-P**

**POSTAL SERVICE**

**Privacy Act; System of Records**

**AGENCY:** Postal Service™.

**ACTION:** Notice of a modified system of records.

**SUMMARY:** The United States Postal Service™ (USPS™) is proposing to revise a General and Customer Privacy Act System of Records. These updates are being made to facilitate use of market research tools that will be implemented by the Chief Customer and Marketing Organization within the Postal Service to assess new and existing USPS and competitive products, services, processes, and campaigns in order to gauge attitudes, perceptions, opinions, habits, and usage

of USPS products and services from voluntary participants (including employees and customers).

**DATES:** These revisions will become effective without further notice on August 4, 2022, unless comments received on or before that date result in a contrary determination.

**ADDRESSES:** Comments may be submitted via email to the Privacy and Records Management Office, United States Postal Service Headquarters ([privacy@usps.gov](mailto:privacy@usps.gov)). Arrangements to view copies of any written comments received, to facilitate public inspection, will be made upon request.

**FOR FURTHER INFORMATION CONTACT:** Janine Castorina, Chief Privacy and Records Management Officer, Privacy and Records Management Office, 202–268–3069 or [privacy@usps.gov](mailto:privacy@usps.gov).

**SUPPLEMENTARY INFORMATION:** This notice is in accordance with the Privacy Act requirement that agencies publish their systems of records in the **Federal Register** when there is a revision, change, or addition, or when the agency establishes a new system of records.

The Postal Service has determined that Customer Privacy Act Systems of Records (SOR), USPS 890.000, Sales, Marketing, Events, and Publications and General Privacy Act SOR 100.600, Personnel Research Records should be revised to support the implementation of market research tools.

## I. Background

The Marketing Department, specifically the Customer Insights and Marketing Strategy team, is responsible for managing customer, employee, and market research across the USPS. This includes, but is not limited to initiatives such as:

- Advertising Campaigns
- Brand Strategy
- Strategic Customer Programs
- Customer Experience with Products and Services, including Call Center
- Innovation
- Product Improvements and Development

The Marketing organization utilizes best-in-class market research tools that are used across public, private and academic settings. The tools also provide the evidence, proof points, and data for decision-makers at USPS to determine what actions are optimal for the Postal Service.

The following tools are used by the Marketing department to provide foresight and intelligence across the organization:

- Focus groups
- Surveys
- Interviews

- Diaries
- Observational Studies
- Prototype assessment
- A/B Comparison Testing

## II. Rationale for Changes to USPS Privacy Act Systems of Records

The Postal Service is proposing to modify USPS SORs 100.600 and 890.000 to support the use of market research and insights tools by the Marketing Department that will be utilized to improve the effectiveness for business decision making across the organization. Use of these tools enhance insight collection and assessment of new products, services, processes and campaigns for USPS. These SOR modifications are necessary for acquiring data to generate the insights for senior leadership decisions, such as for the USPS Leadership Team.

## III. Description of the Modified System of Records

Pursuant to 5 U.S.C. 552a(e)(11), interested persons are invited to submit written data, views, or arguments on this proposal. A report of the proposed revisions has been sent to Congress and to the Office of Management and Budget for their evaluations. The Postal Service does not expect these amended systems of records to have any adverse effect on individual privacy rights. USPS SOR 890.000, Sales, Marketing, Events, and Publications and 100.600 Personnel Research Records are provided below in their entirety as follows:

### SYSTEM NAME AND NUMBER:

USPS 890.000, Sales, Marketing, Events, and Publications.

### SECURITY CLASSIFICATION:

None.

### SYSTEM LOCATION:

USPS Headquarters Marketing and Public Policy; Integrated Business Solutions Services Centers; National Customer Service Center; Area and District USPS facilities; Post Offices; and contractor sites.

### SYSTEM MANAGER(S) AND ADDRESS:

Chief Customer and Marketing Officer and Executive Vice President, United States Postal Service, 475 L'Enfant Plaza SW, Washington, DC 20260–4016.

### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

39 U.S.C. 401, 403, and 404.

### PURPOSE(S) OF THE SYSTEM:

1. To understand the needs of customers and improve USPS sales and marketing efforts.
2. To provide appropriate materials and publications to customers.

3. To conduct registration for USPS and related events.

4. To enable access to the USPS meeting and video web conferencing application.

5. To enhance your online meeting experience by utilizing enhanced features and functionality, including voluntary polling to gather responses from attendees to generate reports or the interactive chat feature.

6. To facilitate team collaboration and communication through information sharing and cross-functional participation.

7. To allow task allocation and tracking among team members.

8. To allow users to communicate by telephone and instant-messaging through web-based applications.

9. To provide users outside of the USPS limited collaboration and communication capabilities through guest account access.

10. To facilitate and support cybersecurity investigations of detected or reported information security incidents.

11. To share your personal image via your device camera during meetings and web conferences, if you voluntarily choose to turn the camera on, enabling virtual face-to-face conversations.

12. To facilitate and support marketing initiatives, advertising campaigns, brand strategy, customer experience with products and service, including call centers, strategic customer programs, and innovation and product improvement development.

### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

1. Customers who interact with USPS sales personnel, respond to direct marketing messages, request publications, respond to contests and surveys, voluntarily participate in focus groups, interviews, diaries, observational studies, prototype assessments, A/B comparison tests, and attend USPS events.

2. Customers and other individuals who participate in web-based meeting, video conference, collaboration, and communication applications sponsored by the USPS.

### CATEGORIES OF RECORDS IN THE SYSTEM:

1. *Customer information:* Customer and key contacts' names, date of birth, age, home mailing address, and email address; phone, fax, and pager numbers; company name, job descriptions, titles, roles, level, and company address; other names and emails provided by customers.

2. *Identifying information:* Customer ID(s), D–U–N–S Numbers, USPS

account numbers, meter numbers, and signatures.

3. *Business specific information:* Firm name, size, and years in business; number of employees; sales and revenue information; business sites and locations; URLs; company age; industrial classification numbers; use of USPS and competitor's products and services; types of customers served; customer equipment and services; advertising agency and spending; names of USPS employees serving the firm; and calls made.

4. *Information specific to companies that act as suppliers to USPS:* Contract start and end dates, contract award number, contract value, products and/or services sold under contract.

5. *Information provided by customers as part of a survey or contest.*

6. *Payment information:* Credit and/or debit card number, type, expiration date, and check information; and ACH information.

7. *Event information:* Name of event; role at event; itinerary; and membership in a PCC.

8. *Customer preferences:* Preferences for badge name and accommodations.

9. *Participant session data from web-based meetings and web conferences:* Participant name, participant's webcam-generated image (including presenters), recorded participant audio, video, and shared meeting screen content, chat interaction, polling questions and associated responses, participant join time and leave time, meeting duration, participant location, and participant media hardware information.

10. *Event session data from web-based meetings and web conferences:* Event start time, event status, event organizer, event presenter, event producer, event production type, event recording setting, total number of event media viewings.

11. *Historical device usage data from web-based meetings and web conferences:* Device type (such as mobile, desktop, or tablet), Device Operating System, Number of users of related Operating Systems, Operating System Version, MAC address, and IP address.

12. *Historical application usage data from web-based meetings and web conferences:* Number of active users, number of active users in groups, number of active group communication channels, number of messages sent, number of calls participated in, last activity date of a user, and number of guest users in a group.

13. *Web-based Public Switched Telephone Network data records:* Phone number, time phone call started, user name, call type, phone number called

to, phone number called from, called to location, called from location, telephone minutes used, telephone minutes available, charges for use of telephone services, currency of charged telephone services, call duration, call ID, conference ID, phone number type, blocked phone numbers, blocking action, reason for blocking action, blocked phone number display name, date and time of blocking.

14. *Web-based Direct Routing Public Switched Telephone Network records:* Call start time, user display name, SIP address, caller number, called to number, call type, call invite time, call failure time, call end time, call duration, number type, media bypass, SBC FQDN, data center media path, data center signaling path, event type, final SIP, final vendor subcode, final SIP phrase, unique customer support ID.

15. *Survey data:* customer perception, feelings, habits, past behaviors, preferences, recommended improvements, willingness to buy, ownership, and hypothetical future scenarios.

#### RECORD SOURCE CATEGORIES:

Customers, USPS personnel, and list providers.

#### ROUTINE USES OF RECORDS IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Standard routine uses 1. through 7., 10., and 11. apply.

#### POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

Automated databases, computer storage media, and paper.

#### POLICIES OF PRACTICES FOR RETRIEVAL OF RECORDS:

1. For sales, events, and publications, information is retrieved by customer name or customer ID(s), mail or email address, and phone number.

2. For direct marketing, information is retrieved by Standard Industry Code (SIC) or North American Industry Classification System (NAISC) number, and company name.

3. Report and tracking data created during web-based meetings and video conferences that pertain to individual participants, content shared, conference codes and other relevant session data and historical device usage data, are retrieved by meeting ID, host name or host email address.

4. Records pertaining to web-based collaboration and communication applications are retrieved by organizer name and other associated personal identifiers.

5. Media recordings created during web-based meetings and video

conferences are retrieved by meeting ID, host name or host email address.

6. Web-based meeting and video session recordings are retrieved by meeting ID, host name or host email address.

#### POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

1. Records relating to organizations and publication mailing lists are retained until the customer ceases to participate.

2. ACH records are retained up to 2 years. Records relating to direct marketing, advertising, and promotions are retained 5 years.

3. Other records are retained 3 years after the relationship ends.

4. Report and tracking data created during web-based meeting and video conferences, such as session data and historical device usage data, are retained for twenty-four months.

5. Records pertaining to web-based collaboration and communication applications are retained for twenty-four months.

6. Web-based meeting and video session recordings are retained for twenty-four months.

7. Customer insight, market research, and survey records will be retained for 3 years.

Records existing on paper are destroyed by burning, pulping, or shredding. Records existing on computer storage media are destroyed according to the applicable USPS media sanitization practice.

#### ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Paper records, computers, and computer storage media are located in controlled-access areas under supervision of program personnel. Access to these areas is limited to authorized personnel, who must be identified with a badge.

Access to records is limited to individuals whose official duties require such access. Contractors and licensees are subject to contract controls and unannounced on-site audits and inspections.

Computers are protected by mechanical locks, card key systems, or other physical access control methods. The use of computer systems is regulated with installed security software, computer logon identifications, and operating system controls including access controls, terminal and transaction logging, and file management software. Online data transmission is protected by encryption.

**RECORD ACCESS PROCEDURES:**

Requests for access must be made in accordance with the Notification Procedure above and USPS Privacy Act regulations regarding access to records and verification of identity under 39 CFR 266.5.

**CONTESTING RECORD PROCEDURES:**

See Notification Procedure and Record Access Procedures.

**NOTIFICATION PROCEDURE:**

For information pertaining to sales, inquiries should be addressed to: Sales and Customer Relations 475 L'Enfant Plaza SW, Washington, DC 20260.

Customers wanting to know if other information about them is maintained in this system of records must address inquiries in writing to the Chief Customer and Marketing Officer and Executive Vice President and include their name and address.

**EXEMPTIONS PROMULGATED FROM THIS SYSTEM:**

None.

**HISTORY:**

August 4, 2020, 85 FR 47258; June 1, 2020, 85 FR 33208; October 24, 2011, 76 FR 65756; April 29, 2005, 70 FR 22516.

**SYSTEM NAME AND NUMBER:**

USPS 100.600 Personnel Research Records

**SECURITY CLASSIFICATION:**

None.

**SYSTEM LOCATION:**

USPS Headquarters, Integrated Business Solutions Services Centers, and contractor sites.

**SYSTEM MANAGER(S) AND ADDRESS:**

Vice President, Human Resource, United States Postal Service, 475 L'Enfant Plaza SW, Washington, DC 20260-4135.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

39 U.S.C. 401, 410, 1001, and 1005.

**PURPOSE(S) OF THE SYSTEM:**

1. To support research and development efforts on personnel assessment instruments, recruitment efforts, workforce analysis, and evaluation of human resource management practices.

2. To assess the impact of selection decisions on applicants in race, ethnicity, sex, tenure, age, veteran status, and disability categories.

3. To facilitate and support marketing initiatives, advertising campaigns, brand strategy, strategic customer programs, customer experience with products and services, including call centers, and innovation and product improvement development.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

1. Potential applicants for USPS employment, applicants for USPS employment, USPS employee applicants for reassignment and/or promotion, employees whose work records or solicited responses are used in research projects, and former USPS employees.

2. Employees who voluntarily respond to direct marketing messages, respond to surveys, voluntarily participate in focus groups, interviews, diaries, observational studies, prototype assessments, and A/B comparison tests.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

1. Applicant, potential applicant with candidate profile, and employee information: Name, Social Security Number, Candidate Identification Number, Employee Identification Number (EIN), or respondent identification code, place of birth, date of birth, age, postal assignment or vacancy/posting information, work contact information, home address and personal phone number(s), personal email address, finance number(s), title, level, duty location, and pay location.

2. Personnel research information: Records related to race, ethnicity, sex, tenure, age, veteran status, and disability status (only if volunteered by the individual); research project identifiers; and other information pertinent to personnel research.

3. *Survey data*: employee perception, feelings, habits, past behaviors, preferences, recommended improvements, experiences with customers, ownership, and hypothetical future scenarios.

**RECORD SOURCE CATEGORIES:**

USPS employees, former employees, applicants, and potential applicants with candidate profiles who provide information to personnel research programs and other systems of records.

**ROUTINE USES OF RECORDS IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

Standard routine uses 1 through 9 apply.

**POLICIES AND PRACTICES FOR STORAGE OF RECORDS:**

Automated database, computer storage media, digital files, and paper files.

**POLICIES OF PRACTICES FOR RETRIEVAL OF RECORDS:**

By individual name, Social Security Number, Candidate Identification Number, Employee Identification Number, personal email address,

respondent identification code, research project identifiers, postal assignment or vacancy/posting information, duty or pay location, or location where data were collected.

**POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:**

1. Retention depends on the type of research project but does not exceed 10 years.

2. Data retained for surveys conducted by Customer insight, market research and survey records will be retained for 3 years.

Records existing on paper are destroyed by burning, pulping, or shredding. Records existing on computer storage media are destroyed according to the applicable USPS media sanitization practice.

**ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:**

Paper records, computers, and computer storage media are located in controlled-access areas under supervision of program personnel. Access to these areas is limited to authorized personnel, who must be identified with a badge. Access to records is limited to individuals whose official duties require such access. Contractors and licensees are subject to contract controls and unannounced on-site audits and inspections. Computers are protected by mechanical locks, card key systems, or other physical access control methods. The use of computer systems is regulated with installed security software, computer logon identifications, and operating system controls including access controls, terminal and transaction logging, and file management software.

**RECORD ACCESS PROCEDURES:**

Requests for access must be made in accordance with the Notification Procedure above and USPS Privacy Act regulations regarding access to records and verification of identity under 39 CFR 266.5.

**CONTESTING RECORD PROCEDURES:**

See Notification Procedure and Record Access Procedures.

**NOTIFICATION PROCEDURE:**

Individuals wanting to know if information about them is maintained in this system of records must address inquiries to the Vice President, Employee Resource Management, 475 L'Enfant Plaza SW, Washington, DC 20260.

In cases of studies involving information not collected through an examination, individuals must address inquiries to the system manager.

Inquiries must contain full name; Candidate Identification Number, Employee Identification Number, or respondent identification code, and subject or purpose of research/survey; and date and location of their participation.

#### EXEMPTIONS PROMULGATED FROM THIS SYSTEM:

Pursuant to 5 U.S.C. 552a(j) and (k), USPS has established regulations at 39 CFR 266.9 that exempt records in this system depending on their purpose. The USPS has also claimed exemption from certain provisions of the Act for several of its other systems of records at 39 CFR 266.9. To the extent that copies of exempted records from those other systems are incorporated into this system, the exemptions applicable to the original primary system continue to apply to the incorporated records.

#### HISTORY:

July 19, 2013; 78 FR 43247; June 17, 2011; 76 FR 35483; April 29, 2005; 70 FR 22516.

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Sarah E. Sullivan,

Attorney, Ethics and Legal Compliance.

[FR Doc. 2022-14277 Filed 7-1-22; 8:45 am]

BILLING CODE 7710-12-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-95173; File No. SR-BOX-2022-21]

### Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Allow Multi-Leg Qualified Open Outcry Orders (“QOO Orders”) That Are Not Complex Orders To Trade in Penny Increments Regardless of the Minimum Increments Otherwise Applicable to the Individual Legs of the Multi-Leg QOO Order

June 28, 2022.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 17, 2022, BOX Exchange LLC (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 Exchange. The Exchange filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and

Rule 19b-4(f)(6) thereunder.<sup>4</sup> 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 allow multi-leg Qualified Open Outcry Orders<sup>5</sup> (“QOO orders”) that are not Complex Orders<sup>6</sup> to trade in penny increments regardless of the minimum increments otherwise applicable to the individual legs of the multi-leg QOO order. 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://boxoptions.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 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 purpose of the proposed rule change is to amend BOX Options Market LLC (“BOX”) Rule 7600 to allow multi-leg QOO orders that are not Complex Orders to be quoted and executed in \$0.01 increments (“penny increments”) regardless of minimum increments otherwise applicable to the individual legs of the multi-leg QOO order. Currently, multi-leg QOO orders that are not Complex Orders respect the minimum trading increment for the series of the option contracts traded (e.g., \$0.01, \$0.05, \$0.10).<sup>7</sup> The

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> See BOX Rule 7600(a)(4).

<sup>6</sup> See BOX Rule 7240(a)(7).

<sup>7</sup> BOX notes that a recent Cboe proposal suggested that BOX’s current rule is silent on the minimum increment for orders submitted for execution on BOX’s trading floor and that Cboe has been informed by multiple market participants that are also members of BOX that they may execute multi-legged orders (with ratios greater than three-to-one or less than one-to-three) on BOX’s trading floor in

Exchange now proposes to amend BOX Rule 7600(c) to allow multi-leg QOO orders to be quoted and executed in penny increments, regardless of the minimum increments otherwise applicable to the individual legs of the order. BOX notes that this is a competitive rule filing based on a similar proposal filed by Cboe Exchange Inc. (“Cboe”) and approved by the Commission.<sup>8</sup> Currently, multi-leg QOO orders are only traded on the BOX Trading Floor.<sup>9</sup> The Exchange does not propose to allow multi-leg orders that are not Complex Orders to trade electronically as detailed in the Cboe filing.<sup>10</sup> BOX only intends to allow multi-leg QOO orders on the BOX Trading Floor to be quoted and traded in penny increments. BOX will file a proposal with the Commission if it intends to allow multi-leg orders to trade electronically. BOX does not generate Legging Orders on behalf of multi-leg QOO orders. BOX generates Legging Orders only on behalf of Complex Orders resting on the Complex Order Book.<sup>11</sup>

#### Background

Complex Orders are defined on BOX as any order involving the simultaneous purchase and/or sale of two or more different options series in the same underlying security, for the same account, in a ratio that is equal to or greater than one-to-three (.333) and less than or equal to three-to-one (3.00) and for the purpose of executing a particular investment strategy.<sup>12</sup> Bids and offers on Complex Orders may be expressed in any decimal price, and the leg(s) of a Complex Order may be executed in one penny increments, regardless of the minimum increments otherwise

penny increments. See Securities Exchange Act Release No. 94204 (February 9, 2022), 87 FR 8625 (February 15, 2022) (Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Amend Cboe Rule 5.4 and Make Corresponding Changes to Other Rules) (“Cboe Order”). The Exchange reiterates that multi-leg QOO Orders currently executed on the BOX Trading Floor are treated like single-leg QOO Orders with respect to execution and priority. Further, and contrary to the exchange’s representations, each component series (leg) of a multi-leg QOO order on the BOX Trading Floor respects the minimum trading increment for the series of the option contracts traded on the Exchange (e.g., \$0.01, \$0.05, \$0.10). See BOX Comment Letter to SR-CBOE-2021-046 available at <https://www.sec.gov/comments/sr-cboe-2021-046/sr-cboe2021046-9238319-250622.pdf>.

<sup>8</sup> See Cboe Order.

<sup>9</sup> See BOX Rule 7600(a)(2).

<sup>10</sup> See supra note 5. [sic]

<sup>11</sup> See BOX Rule 7240(c).

<sup>12</sup> See BOX Rule 7240(a)(7).

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

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

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