DRIVEWEALTH

June 28, 2024

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File No. 10-242: Application of 24X National Exchange LLC for Registration as a National Securities Exchange

Dear Ms. Countryman:

DriveWealth, LLC ("DriveWealth") respectfully submits this comment letter to the U.S. Securities and Exchange Commission (the "Commission") in response to the Commission's institution of proceedings to determine whether to grant or deny an application by 24X National Exchange LLC (the "24X Application") to register as a national securities exchange under Section 6 of the Securities Exchange Act of 1934 (the "Exchange Act"). DriveWealth submits this comment letter in support of the 24X Application.

DriveWealth is a global business-to-business financial technology platform that powers the investing and trading experiences of banks, broker-dealers, asset managers, digital wallets, and consumer brands worldwide. DriveWealth currently enables millions of retail participants to trade equities on U.S. market centers during the core market session and is also a significant participant in the pre-market, post-market, and overnight trading sessions. The 24X Application would extend the availability of on-exchange trading to near 24 hours a day, seven days a week. We believe that customers of our partners based both in the U.S. and outside the U.S. would benefit significantly from the ability to trade on a regulated U.S. exchange at times other than the currently available market sessions.

Trading 24 hours a day, on-exchange, represents an opportunity to strengthen U.S. leadership in capital markets. Expanding operating hours will enhance investor participation, allowing real-time trading for both international investors and self-directed domestic retail investors, such as working parents and others whose busy schedules overlap with the core or extended market sessions. Expanded participation in the markets increases efficiencies for U.S. companies seeking access to capital. Investors benefit from allocating their investment resources to well-regulated, dollar-based assets traded on exchanges that offer strong protections to investors.

Broadening the operating hours of a U.S. exchange may also encourage more high-quality international companies to list their shares for trading in the U.S., either as a primary issuance or secondary listing, which expands their access to capital. But the potential benefits extend beyond international companies. The presence of a well-regulated U.S. exchange operating during daytime hours in Asia could enhance American competitiveness in attracting listings, thereby broadening choices and potentially increasing returns for American investors.

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The 24X Application highlights the need to modernize the U.S. equity-market infrastructure. Equity trading already takes place 24 hours a day, five days a week, but it does so in less transparent venues. Today's market infrastructure generally ignores such trading and regulatory guidance outside of the core market session is limited. The Commission should require clarity and consistency in regulatory obligations imposed on market participants beyond just the core market session, such as how the requirements of Rules 605, 606, and 611 of Regulation NMS would apply to 24-hour trading.

The Commission should also require clarity and consistency with respect to a continuously available market infrastructure so that investors have a well-understood set of protections and tools, as well as transparency, for trading at all times. As other commenters have pointed out, market infrastructure that requires system and policy modernization include addressing a variety of aspects relating to the TRF, the SIPs, CAT, DTCC, and the LULD Plan, among others. Infrastructure modernization will not be free of costs. The Commission should evaluate funding requirements for such modernization so that costs are fairly allocated and borne by those who most directly benefit from the enhancements. DriveWealth is confident that with clear direction from the Commission, such modernization of market infrastructure can be accomplished to benefit market participants and investors, without imposing undue costs or burdens.

These benefits are achievable and there is a genuine necessity to realize them. DriveWealth notes that the Commission already regulates overnight trading successfully and that for other asset classes there is infrastructure to support 24-hour trading. For instance, index options and futures exchanges support overnight markets, OPRA smoothly facilitates pre-trade and post-trade transparency, and derivatives clearing houses operate overnight to receive trades in real-time.

DriveWealth believes that clarity and consistency in regulatory requirements, as well as modernization of market infrastructure, are matters that deserve the Commission's attention independent of the 24X Application. DriveWealth supports the Commission's addressing these equities markets policy questions directly, beyond the scope of a single exchange's rule filing. We would be glad to participate in broad-based, roundtable discussions of modern market structure topics, such as 24-hour trading and fractional-share trading. The 24X Application, however, serves as a catalyst for important discussions about industry modernization.

While DriveWealth understands that the Commission must carefully weigh a number of considerations in assessing the 24X Application, as noted in a variety of other comment letters, DriveWealth maintains that industry consensus would be an unreasonable prerequisite for approval of the 24X Application. As long as the 24X Application meets the requirements of the Exchange Act, it should be approved.

DriveWealth appreciates the opportunity to submit this letter to the Commission regarding the 24X Application. If you have any questions or need any additional information, please contact Jeffrey M. Pasquerella at (551) 338-3225.

Very truly yours,

Jeffrey M. Pasquerella
Chief Legal Officer
DriveWealth, LLC