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Submitted electronically

The Honorable Mary Jo White, Chair
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Equity Market Structure Advisory Committee

Dear Chair White,

Fidelity Investments (“Fidelity”)¹ submits this letter to recommend that the Securities and Exchange Commission (the “SEC” or “Commission”) extend the Charter of the SEC’s Equity Market Structure Advisory Committee (the “EMSAC” or “Committee”).² Unless renewed, this Charter is currently scheduled to expire in February 2017.

We commend the Commission for creating the EMSAC as a formal means to receive advice and recommendations on equity market structure topics from a range of market experts. Since its establishment in early 2015, the EMSAC has met six times and discussed a variety of issues including, but not limited to, the operation of Regulation NMS, the maker/taker fee model, the regulatory structure of trading venues, and market volatility experienced on August 24, 2015. EMSAC recommendations to the SEC on such topics as NMS plan governance, SRO rule changes, and an access fee pilot address relevant topics and are well-designed.

More generally, we believe the diverse membership structure of the EMSAC has been useful to overall communications on equity market structure topics. Market participants typically discuss equity market structure issues with similarly situated firms and/or through trade groups that represent a single point of view. In contrast, the EMSAC provides a single forum in which diverse, cross-industry views are exchanged and discussed, allowing the Committee to develop comprehensive recommendations to the SEC. The momentum of regular meetings and Committee and subcommittee transparency further support EMSAC’s work.

Although the EMSAC has provided an important forum for the Commission and market participants over the past year and a half, we do not believe that its work is complete. For

¹Fidelity and its affiliates are leading providers of mutual fund management and distribution, securities brokerage, and retirement recordkeeping services, among other businesses.

²The Charter is *available at* <https://www.sec.gov/spotlight/emsac/equity-market-structure-advisory-committee-charter.pdf>.

example, certain subcommittee recommendations, such as those related to market quality, have yet to be discussed at the full Committee level. We would also like to see the EMSAC review, and potentially make a recommendation to the SEC on, additional topics such as the market data that equity market participants must obtain from the SIP or from the direct feeds of registered stock exchanges. We do not believe that work on these topics can be completed by February 2017 and recommend the SEC extend its Charter to allow the EMSAC to continue its good work.

If its Charter is renewed, we also recommend the SEC re-visit current EMSAC membership. Specifically, we would like to see broader institutional investor membership on the Committee. We would also like to see Committee membership include direct participation from retail brokerage firm(s).

Institutional investors play an important role in the U.S. equity markets. They manage growing pools of assets and, working on behalf of their shareholders, help provide necessary capital and liquidity to the equity markets. Additional institutional investor expertise on the EMSAC would help promote Commission goals of open, fair and efficient markets by providing a greater voice to this constituency.

We also observe that there is currently no retail brokerage firm participation in the EMSAC. Retail investors comprise a significant amount of daily trading volumes and assets held in retail brokerage accounts continue to grow. We believe that retail brokerage representation on the EMSAC would help ensure that the views of retail investors are directly represented in EMSAC discussions and recommendations.

Equity market structure issues are important to every area of our business. Fidelity has provided testimony to the EMSAC³ and has participated in subcommittee discussions and informal industry groups created by EMSAC members designed to acquire a retail brokerage perspective on equity market structure issues. Fidelity is fortunate to have a number of senior executives who are qualified to offer advice to the SEC on equity market structure topics. If its Charter is renewed, we would be honored to serve on the EMSAC in any capacity the SEC believes appropriate.

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³Testimony of Bill Baxter, Fidelity Investments Head of Global Program Trading and Market Structure, before the SEC Equity Market Structure Advisory Committee (May 13, 2015), *available at*: <https://www.sec.gov/comments/265-29/26529-17.pdf>

Fidelity would be pleased to provide further information or respond to questions the Commission may have about our comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Ryan". The signature is fluid and cursive, with a large initial "M" and a long, sweeping tail.

cc:

The Honorable Kara M. Stein, Commissioner
The Honorable Michael S. Piwowar, Commissioner

Mr. Stephen Luparello, Director, Division of Trading and Markets
Mr. Gary Goldsholle, Deputy Director, Division of Trading and Markets
Mr. David Shillman, Associate Director, Division of Trading and Markets