

# FIA PTG

## PRINCIPAL TRADERS GROUP

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May 7, 2021

Vanessa Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-0609

Re: Joint Industry Plan; Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail by BOX Exchange LLC; Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe C2 Exchange, Inc. and Cboe Exchange, Inc., Financial Industry Regulatory Authority, Inc., Investors Exchange LLC, Long-Term Stock Exchange, Inc., Miami International Securities Exchange LLC, MEMX, LLC, MIAX Emerald, LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, The NASDAQ Stock Market LLC; and New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc.  
(Release No. 34-91555; File No. 4-698)

Dear Ms. Countryman:

The FIA Principal Traders Group (“FIA PTG”)<sup>1</sup> appreciates the opportunity to comment on the above-captioned amendment (the “Amendment” or “Proposal”)<sup>2</sup> to the National Market System Plan Governing the Consolidated Audit Trail (“CAT”) filed by the Self-Regulatory Organizations (“SROs”) that are the Plan Participants to the CAT. This week, while finalizing our response, we became aware of the letter from Michael Simon, Chair, CAT NMS Plan Operating Committee filed on May 5<sup>3</sup> which contains additional data not in the Proposal, as well as the process to request certain firm specific data currently anonymized in the Proposal from FINRA CAT.

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<sup>1</sup> FIA PTG is an association of firms, many of whom are broker-dealers, who trade their own capital on exchanges in futures, options and equities markets worldwide. FIA PTG members engage in manual, automated and hybrid methods of trading, and they are active in a wide variety of asset classes, including equities, fixed income, foreign exchange and commodities. FIA PTG member firms serve as a critical source of liquidity, allowing those who use the markets, including individual investors, to manage their risks and invest effectively. The presence of competitive professional traders contributing to price discovery and the provision of liquidity is a hallmark of well-functioning markets. FIA PTG advocates for open access to markets, transparency and data-driven policy and has previously made recommendations about a variety of equity market structure issues, including Regulation NMS.

<sup>2</sup> <https://www.govinfo.gov/content/pkg/FR-2021-04-21/pdf/2021-08049.pdf>.

<sup>3</sup> [See Letter from Michael Simon, Chair, CAT NMS Plan Operating Committee, to Vanessa Countryman, Secretary, SEC, dated May 5, 2021.](#)

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While we welcome the additional data provided this week, it is still insufficient for our analysis. We plan to include the following requests in our comment letter:

FIA PTG requests that CAT NMS, LLC (the “Company”) provide either publicly, or at a minimum, to all Industry Members, a copy of the 2021 operating budget along with any quarterly updates and projected costs going forward. Additionally, the Company should provide a breakdown of fixed and variable expenses. For variable expenses, the Company should provide the drivers of those expenses and how those expenses scale, as well as if there are discounts associated with the volume of data or usage. We further request that the Company agree to provide Industry Members with the data, including Plan Participant data, industrywide data, and their individual firm data, that was used to support the Company’s selected funding model and the funding models that were rejected.

In light of the data provided this week, and with the hope that the data detailed above might be provided in the coming days, FIA PTG requests the Securities and Exchange Commission extend the comment period an additional 45 days to allow for a thorough analysis of the data and evaluation of its impact on our response.

If you have any questions about these comments, or if we can provide further information, please contact Joanna Mallers [REDACTED].

Respectfully,

FIA Principal Traders Group



Joanna Mallers  
Secretary

cc: Gary Gensler, Chair  
Hester M. Peirce, Commissioner  
Elad L. Roisman, Commissioner  
Allison H. Lee, Commissioner  
Caroline A. Crenshaw, Commissioner

Christian Sabella, Acting Director, Division of Trading and Markets