UNIVERSITY OF NOTRE DAME

December 8, 2016

Mr. Brent J. Fields
Secretary
Securities and Exchange Commission

Re: Release No. 34-78309; File No. S7-14-16; Disclosure of Order Handling Information

Dear Mr. Fields

First, I want to thank you for the opportunity to comment on the Securities and Exchange Commission's proposed rule "Disclosure of Order Handling Information: Release No. 34-78309; File No. S7-14-16. This rule is especially interesting to me, having taken a course on *Trading and Markets* at the University of Notre Dame, taught by Professor Robert Battalio. I believe that the public's perception of modern markets is at a relative low, and in order to provide investors with proper assurance, markets need to be as transparent as possible.

While it is true, as Professor Battalio has attested to, retail investors have "never had it better," there is no reason to take this as a sign that the current situation cannot be improved. Technological developments in recent years have brought great cost savings to retail investors in the market (as it has to everyone in the market today) and have also created an environment in which regulation must be thought about differently. Currently, the statistics reported by brokers as required by Rule 606 are not sufficient for retail investors to evaluate the execution quality they are receiving from their agent in the market. In order to increase transparency, brokers should be required to report the effective spread to quoted spread ratio they receive at each market center. This requirement, combined with those already in place according to Rule 606, will allow retail investors to have a better idea of the total net proceeds generated by their trades. While brokers claim that the revenue from rebates allow them to provide services like investment research to their clients, I would prefer to see the clients decide for themselves which brokers are using the cash flows from rebates wisely.

In an effort to increase transparency and positively impact public perception of financial markets, I believe the SEC should mirror guidelines from Rule 605 but apply them to brokers. This way, investors can have confidence in the broker they choose based off of their regular reporting of execution quality.

Sincerely,

Patrick J. Darché
University of Notre Dame Class of 2017