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December 10, 2019

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

Re: Release No. 34-87193; File No. S7-15-19; Rescission of Effective-Upon-Filing Procedure for NMS Plan Fee Amendments

Dear Ms. Countryman:

The FIA Principal Traders Group (“FIA PTG”)¹ appreciates the opportunity to comment on the proposed Rescission of Effective-Upon-Filing Procedure for NMS Plan Fee Amendments (the “Proposal”). FIA PTG supports the U.S. Securities and Exchange Commission (“Commission”) Proposal to rescind Rule 608(b)(3)(i) and thereby eliminate the effective-upon-filing procedure for proposed NMS Plan fee changes. FIA PTG concurs with the Commission that “a Proposed Fee Change should not become effective (and SROs should not be able to charge new or altered fees to investors, broker-dealers, and others) until after the public has had an opportunity to comment and the Commission has approved the Proposed Fee Change.”

Most NMS Plan fees are assessed in connection with core data. Because many market participants, including most FIA PTG members as registered broker-dealers, must have access to core data to meet their regulatory obligations, it is important that they have the opportunity to comment on Proposed Fee Changes for core data before they are subject to the new fees. This will become even more critical with the implementation of the Consolidated Audit Trail (“CAT”). The NMS plan governing the CAT contemplates that Self-Regulatory Organization “SRO” participants may set fees that Industry Members, including broker dealers, must pay for the costs of the CAT system. Because SRO participants have an inherent conflict of interest in setting the allocation of costs

¹ 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 (See <https://ptg.fia.org/keywords/equity-market-structure>).

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among themselves and Industry Members, it is essential that Industry Members be allowed to comment on the proposed allocation of costs before they become effective.

Accordingly, FIA PTG joins the Commission in its belief that “requiring the standard procedure for Proposed Fee Changes would help ensure that fees are fair and reasonable before they go into effect.

If you have any questions about these comments, or if we can provide further information, please contact Joanna Mallers (██████████).

Respectfully,

FIA Principal Traders Group



Joanna Mallers
Secretary

cc: Walter J. Clayton, Chairman
Robert J. Jackson, Jr., Commissioner
Hester M. Peirce, Commissioner
Elad L. Roisman, Commissioner
Allison H. Lee, Commissioner
Brett W. Redfearn, Director of the Division of Trading and Markets