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Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Comment Letter on Proposed Rule [Release No. 34-78962; File No. S7-22-16]
RE: Amendment to Securities Transaction Settlement Cycle

Dear Mr. Fields,

I appreciate the opportunity to comment on the above proposal to amend Rule 15c6-1(a) under the Securities Exchange Act of 1934 ("Exchange Act") to shorten the standard settlement cycle for most broker-dealer transactions from three business days after the trade date ("T+3") to two business days after the trade date ("T+2") for the purpose of reducing systemic risk for U.S. market participants. I applaud the above initiative and strongly support the move to a shortened settlement cycle.

Market participants acknowledge that the benefits of a T+2 settlement cycle include greater market liquidity stemming from increased efficiency and a reduction in counterparty risk, decreased clearing capital requirements, lower trade costs for investors, and increasing settlement harmonization across the globe. Buy-side firms benefit primarily from lower loss exposure from institutional trades and increased consistency across jurisdictions they operate in, while broker-dealers directly benefit from reduced clearing requirements, lower operational costs, and increased efficiency. According to a report by PwC, in addition to widespread industry support and a consensus regarding its feasibility, the European Union, Hong Kong, and South Korea already completed a move to a two-day settlement cycle. In a cost-benefit analysis of shortening the settlement cycle by The Boston Consulting Group (BCG), BCG concluded that successful implementation is possible with incremental investments of $550MM, a manageable cost on a per firm basis.

Implementation of the proposal to shorten the settlement cycle to T+2 in U.S. markets will further contribute to the continued effort to reduce systemic risk in the financial markets. The T+3 settlement cycle began following the Securities Exchange Act of 1934, but the U.S. is behind other developed markets in continuing to shorten the settlement cycle and reduce associated risks. Prompted by the financial crisis of 2008, a multitude of global regulations and proposals arose in an effort to limit systemic risk. Shorting the settlement cycle will help limit risks for clearers, buy-side investors, and institutional broker-dealers by addressing liquidity, margin, and efficiency concerns with manageable infrastructure investments.

Sincerely,

Ryan M. Newill

University of Notre Dame, Mendoza College of Business, Class of 2017