



June 28, 2017

CTS Corporation appreciates the opportunity to comment on SR-BatsBZX-2017-34, the proposal to introduce the “Bats Market Close.”

For several years now we have heard concerns voiced by institutional investors regarding increasing complexity and fragmentation in the US equity market, and the resulting challenge in finding sufficient liquidity. This concern is particularly acute for listed companies with lower market capitalizations and lower levels of trading activity, and for large investors looking to buy or sell sizable positions.

One vital counterpoint to this liquidity challenge is the closing auction, where a single process aggregates all buying and selling interest in a stock to determine the official closing price. The transparency of the auction process allows investors of all types to participate with the assurance of a fair and accessible price. The closing auction therefore contributes meaningful liquidity to our stock, facilitating investment in our company and helping to lower our cost of capital.

We ask that the Commission consider how this proposal from Bats could further fragment today’s market structure and how that could negatively impact the substantial liquidity currently available to all market participants in the closing auction.

Sincerely,

A handwritten signature in blue ink, reading "Kieran O'Sullivan". The signature is fluid and cursive, with a large initial 'K'.

Kieran O’Sullivan

Chairman, President and CEO

CTS Corporation