



THOMSON REUTERS

Via Electronic Delivery

December 16, 2015

Robert W. Errett
Deputy Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC, 20549-1090

Re: SR-FINRA-2015-048: Notice of Filing of a Proposed Rule Change to Adopt FINRA Rule 6191(b) and Amend FINRA Rule 7440 To Implement the Data Collection Requirements of the Regulation NMS Plan To Implement a Tick Size Pilot Program

Dear Mr. Errett:

Thomson Reuters appreciates the opportunity to comment on SR-FINRA-201-048 to implement data collection requirements to implement a Tick Size Pilot program (“the proposal”). Thomson Reuters¹ through our Financial & Risk business unit provides buy-side, sell-side and corporate customers with information, analytics, workflow, transaction and technology solutions and services that enable effective price discovery and support efficiency, liquidity and compliance. In particular, our wealth management offerings² include a complete suite of products that enable retail and institutional brokers to manage the daily tasks of their front, middle and back office operations. We are an OATS service provider and are directly impacted by this proposal. It is important to recognize that our client base consists of trading centers and firms that are not trading centers as defined by the Tick Size Pilot NMS Plan.

In order to meet the April 4, 2016 implementation of the data collection phase of the Tick Size Pilot, we have reviewed the OATS Technical specifications released in advance of the proposal’s approval and are developing an implementation plan. Based on published FAQs, we believe we understand how to populate the majority of the new fields added to the OATS reports that we submit on behalf of our clients as discussed below.

- **Tick Size Participation Flag:** Our understanding is that vendors may submit all OATS submissions with the Tick Size Participation Flag set to ‘T’. This simplifies implementation as it means our clients will not have to maintain tables identifying which of their MPIDs is a trading center in Tick Size Pre-Pilot or Pilot securities. This also

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² For more information on Thomson Reuters Wealth Management offerings, see [here](#).

eliminates the need to update security master information which supports OATS. We appreciate FINRA's willingness to support an efficient implementation of this flag.

- **Display Flag:** This flag applies exclusively to ADF participants of which there are none.
- **Routable Flag:** It is our understanding that if a customer does not provide instructions or use an order type that indicates an order is not routable then the flag should be set to "Y."

Regarding the Retail Investor Order Flag, we concur with proposed Supplementary Material .02 which clarifies that:

"for purposes of the reporting requirement in Appendix B.II(n), a Trading Center shall report "y" where it is relying upon the Retail Investor Order exception to Test Groups Two and Three, and "n" for all other instances. FINRA believes that requiring the identification of a Retail Investor Orders only where the exception may apply (i.e., Pilot Securities in Test Groups Two and Three) is consistent with Appendix B.II(n)."

Given that a firm may not know whether or not they are availing themselves of the retail investor exemption until they execute an order, we respectfully request that this flag only apply to OATS execution-type reports. While we recognize that firms will need a mechanism to determine the eligibility of an order for the retail investor flag prior to execution in accordance with the exemption, we do not believe this data needs to be captured on New (NW), Combined Order/Route (OR), or Cancel/Replace (CR) reports ("OATS New Order Type reports"). Since OATS reports are linked by an Order ID, FINRA could identify associated orders via the Order ID on the execution-type reports without requiring firms to populate this flag. We believe it will be operationally complex to determine the eligibility of the retail investor flag on a new order when a trading center might choose to route an order rather than execute it for any number of reasons. Additionally, trading centers may choose not to avail themselves of the retail investor exemption even if a new order meets the definition of a retail investor order.

We also understand that FINRA will publish a Pre-Pilot list of securities. We respectfully request that the Tick Size Pre-Pilot and Pilot securities list be separate from the current OATS Eligible List in order to minimize impact on OATS processing.

We appreciate the opportunity to comment and believe that our recommendations would promote an efficient implementation without compromising the goals of the Tick Size Pilot.

Regards,



Manisha Kimmel
Chief Regulatory Officer, Wealth Management
Thomson Reuters