

January 17, 2023

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Alternative Display Facility New Entrant (SR-FINRA-2022-032)

Dear Ms. Countryman:

Sanford C. Bernstein & Co., LLC is writing to provide comments on the proposed rule change filed by FINRA to add the IntelligentCross ATS (“IntelligentCross”) as a new entrant to the FINRA Alternative Display Facility (“ADF”). We support the proposed rule change and believe that adding IntelligentCross’ displayed liquidity as a protected quotation to the SIP would prove beneficial to investors and the markets overall.

Sanford C. Bernstein & Co., LLC believes it is important that the securities markets are as competitive as possible, and we support ways to incentivize innovation and the display of quality liquidity which ensures investors receive best execution on their orders. We believe that adding the IntelligentCross displayed quotes to the ADF would be consistent with these principles.

Similarly, one of the main roles of the securities markets is to ensure quality price discovery for market participants. Adding IntelligentCross’ displayed liquidity to the public quote will enable investors and other market participants to interact with better prices, enhancing price discovery to the markets and minimizing pricing errors.

Sanford C. Bernstein & Co., LLC was among the first brokers who started routing to the IntelligentCross ATS and evaluating performance of the venue. Our experience using the IntelligentCross ATS during the last 3 years has reinforced our belief that the proposal would bring value to the markets as we have seen the benefits of the matching process, including the minimization of adverse selection across Bernstein’s broad client base and the maximization of price stability after trades. We believe the additional displayed liquidity that results from IntelligentCross’ participation in the ADF also could improve further execution quality for market participants.

We recommend that the Commission approve the proposed rule change. If you have any questions on our comment letter, please feel free to contact me.

Sincerely,
Nataliya Bershova, MD, Head of Execution Research, Sanford C. Bernstein & Co., LLC

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cc: The Honorable Gary Gensler, Chair
The Honorable Hester M. Peirce, Commissioner
The Honorable Caroline A. Crenshaw, Commissioner
The Honorable Mark T. Uyeda, Commissioner
The Honorable Jaime Lizárraga, Commissioner
Haoliang Zhu, Director, Division of Trading and Markets