

BLACKROCK®

November 27, 2018

Submitted via electronic filing: <https://www.sec.gov/rules/sro/nyseamer.htm#SR-NYSEAMER-2018-39>

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

Re: Notice of Filing of Proposed Rule Change to Allow Flexible Exchange Equity Options Where the Underlying Security is an Exchange-Traded Fund that is Included in the Option Penny Pilot to be Settled in Cash; [Release No. 34-84364; File No. SR-NYSEAMER-2018-39]

Dear Mr. Fields:

This letter responds to the request of the Securities and Exchange Commission (“Commission” or “SEC”) for comment on proposed amendment to Rule 903G to renumber current Rule 903G(c)(3)(ii) as new Rule 903G(c)(3)(iii) under the Securities Act of 1934, which would allow flexible exchange equity options where the underlying security is an Exchange-Traded Fund that is included in the Option Penny Pilot to be settled in cash.¹

BlackRock, Inc. (together with its affiliates, “BlackRock”)² agrees with the NYSE American LLC (“NYSE American”) that the proposal alleviates several potential challenges associated with physical settlement and presents advantages to the end investor. The proposal would lead to greater standardization of contract terms, mitigate counterparty risk, increase price discovery and improve information dissemination, leading to greater transparency.

We thank the Commission for providing BlackRock the opportunity to express our support for the Proposal. Please contact the undersigned if you have any questions or comments regarding BlackRock’s views.

Sincerely,

Samara Cohen
Head of ETF Global Markets

¹ SEC Request for Comment on Notice of Filing of Proposed Rule Change to Allow Flexible Exchange Equity Options Where the Underlying Security is an Exchange-Traded Fund that is Included in the Option Penny Pilot to be Settled in Cash, (Oct. 4, 2018) available at <https://www.sec.gov/rules/sro/nyseamer/2018/34-84364.pdf>

² BlackRock is one of the world’s leading asset management firms. We manage assets on behalf of institutional and individual clients worldwide, across equity, fixed income, liquidity, real estate, alternatives, and multi-asset strategies. Our client base includes pension plans, endowments, foundations, charities, official institutions, insurers, and other financial institutions, as well as individuals around the world.