



May 16, 2023

Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street NE., Washington, DC 20549

Re: ***SIFMA Comment Letter on the NYSE American LLC Notice of Filing of Proposed Change to Amend Rule 915 (Criteria for Underlying Securities) to Accelerate the Listing of Options on Certain IPOs; File No. SR-NYSEAMER-2023-27***

Dear Ms. Countryman:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ respectfully submits this letter to comment on the above-referenced filing (the “Proposal”) submitted to the U.S. Securities and Exchange Commission (“SEC”) by NYSE American LLC (“NYSE Amex” or “Exchange”). SIFMA recommends the SEC approve the Proposal, which would reduce the time to market for the listing and trading of options on “covered securities.”² As noted in the filing, the Proposal was developed in coordination with the Listed Options Market Structure Working Group.³

Under the Proposal, the time in which an option could be listed on a recent initial public offering (“IPO”) would be accelerated. Currently, the Exchange permits the listing of an option on an underlying covered security that, among other things, has a market price of at least \$3.00 per share for the previous three consecutive business days preceding the date on which the Exchange submits a certificate to The Options Clearing Corporation (“OCC”) to list and trade options on the underlying covered security. This three-day look back period helps ensure that

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

² Defined in Section 18(b)(1)(A) of the Securities Act of 1933 as “security designated as qualified for trading in the national market system pursuant to section 11A(a)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(a)(2)) that is listed, or authorized for listing, on a national securities exchange (or tier or segment thereof) [.]”

³ The Listed Options Market Structure Working Group (“LOMSWG”) is a forum that brings together SIFMA, the STA, exchange ownership groups, the OCC and SEC to address issues of importance to the options market.

options on underlying securities may be listed and traded in a timely manner while also allowing time for the OCC to accommodate the certification request. The Proposal would waive the three-day lookback period for covered securities that have a market capitalization of at least \$3 billion based upon the offering price of the IPO of such securities and would allow options on such securities to be listed and traded starting on or after the second business day following the initial public offering day.

The Exchange asserts that the proposed changes would allow options on IPO'd securities to come to market sooner without sacrificing investor protections. In addition to providing data, the Exchange states that the proposed modifications would provide investors the opportunity to hedge their interest in IPO investments in a shorter amount of time, mitigating risk and reducing volatility for investors, and that accelerating the listing of options on IPOs will provide a valuable tool to the trading community and help the markets function efficiently.

At the same time, the Exchange states that the current surveillance regime of the Exchange and FINRA is adequate to reasonably monitor the trading of IPO'd securities in all trading sessions and to reasonably deter and detect rule violations, obviating the need for the current, three-day lookback.

SIFMA believes that the Proposal will benefit both investors and the market by allowing for increased efficiency in portfolio and risk management while continuing to provide for investor protection. We therefore recommend that the SEC approve the Proposal in its current form.

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SIFMA greatly appreciates the SEC's consideration of the points raised above and would be pleased to discuss these comments in greater detail. If you have any questions or need any additional information, please contact Ellen Greene (at 212-313-1287 or egreene@sifma.org).

Sincerely,



Ellen Greene
Managing Director
Equities & Options Market Structure