



June 20, 2017

Secretary Brent J. Fields  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: File No. SR-NYSEArca-2017-06

Dear Secretary Fields:

Coin Center takes this opportunity to respond to the Securities and Exchange Commission's request for comments pursuant to Release No. 34-79955 regarding the proposed rule change by NYSE Arca that would permit the listing and trading of shares of the Bitcoin Investment Trust (symbol: GBTC) pursuant to NYSE Arca Equities Rule 8.201.

Coin Center is an independent non-profit research and advocacy center focused on the public policy issues facing cryptocurrency technologies such as Bitcoin. Our mission is to build a better understanding of these technologies and to promote a regulatory climate that preserves the freedom to innovate using blockchain technologies. We do this by producing and publishing policy research from respected academics and experts, educating policymakers and the media about blockchain technology, and by engaging in advocacy for sound public policy.

We are not a trade association or an industry group, and the comments that follow do not represent the views of any particular affected party. Our interest is to help the Commission meet its public interest goals while ensuring that its policies do not inadvertently hamper the potential of blockchain-related innovations.

Bitcoin has become an increasingly important asset over the past several years. Beyond its application as a payments system and uses in financial services, open blockchain technology is being applied in an array of other industries, including proof of ownership and authorship, content distribution, digital identity, and the Internet-of-Things. These technological innovations promise great social and economic benefits. As a result, investor demand for bitcoins has continued to increase since the digital currency's inception in 2009. Today, there exist millions of Bitcoin wallets in which investors are holding their bitcoins.

Investors seeking exposure to bitcoins currently have available various options, including shares of the Bitcoin Investment Trust (symbol: GBTC) and the use of bitcoin

exchanges for the purchase and sale of bitcoins directly. Unfortunately, shares of the Bitcoin Investment Trust consistently trade a premium valuation to their net asset value, allowing investors to gain exposure to bitcoin, albeit at inflated levels. Additionally, investors who buy bitcoins directly must determine how to store them securely through the use of open-source computer software, smartphone apps, specialized hardware, and third-party services that facilitate storage on one's behalf, all of which can be a challenging experience.

Acquiring bitcoins directly and storing it securely is not always a straightforward process for all types of investors. On certain occasions, investors have faced losses from hacking attacks on bitcoin exchanges, accidental deletion of cryptographic keys, and have fallen victim to unscrupulous individuals. These factors, when combined with the intangible and novel nature of bitcoin, have at times prevented investors from gaining economic exposure to this important and innovative asset class. This is unfortunate and we believe the proposed rule change would serve to reduce risk and uncertainty among the investing public. If investors could instead purchase shares of the Bitcoin Investment Trust (symbol: GBTC) in an ETF format, where the shares closely track the price of the underlying bitcoin, the investing public would have a safe and secure financial instrument on a national securities exchange to obtain the bitcoin exposure they seek.

As an established exchange-traded product, the Bitcoin Investment Trust will serve as a new tool that investors can use to further diversify their portfolios, while promoting the growth and development of bitcoin as a technology. Accordingly, we believe the Bitcoin Investment Trust will allow the investing public to participate in the value proposition of bitcoin in a safe and meaningful manner. We respectfully request that the Commission approve the proposed rule change to permit the listing and trading of shares of the Bitcoin Investment Trust on the NYSE Arca.

We thank the Commission for this opportunity to comment, and hope you find this submission useful.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'JB' with a stylized flourish.

Jerry Brito  
Executive Director