

FIA PTG

PRINCIPAL TRADERS GROUP

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September 25, 2020

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0609

Re: Partial Amendment No. 2 to Rule Proposals to Amend the Schedule of Wireless Connectivity Fees and Charges to Add Wireless Connectivity Services; File Nos. SR-NYSE-2020-11, SR-NYSE-2020-05, SR-NYSEAMER-2020-10, SR-NYSEAMER-2020-05, SR-NYSEArca-2020-15, SR-NYSEArca-2020-08, SR-NYSECHX-2020-05, SR-NYSECHX-2020-02, NYSENAT-2020-08, NYSENAT-2020-03.

Dear Ms. Countryman:

The FIA Principal Traders Group (“FIA PTG”)¹ appreciates the opportunity to submit a second letter² to the Securities and Exchange Commission (the “Commission”) in response to the September 10, 2020 letter from Martha Redding, Associate General Counsel and Assistant Secretary, NYSE Group Inc., to Vanessa Countryman, Secretary, Commission (“Partial Amendment No. 2”)³ re: the above referenced filings by New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc. and NYSE National, Inc. (collectively, “NYSE” or the “Exchange”). We have carefully reviewed Partial Amendment No. 2 and appreciate the changes and effort to satisfy the concerns of commenters, including those of FIA PTG.

¹ FIA PTG is an association of firms, many of whom are broker-dealers, who trade their own capital on exchanges in futures, options and equities markets worldwide. FIA PTG members engage in manual, automated and hybrid methods of trading, and they are active in a wide variety of asset classes, including equities, fixed income, foreign exchange and commodities. FIA PTG member firms serve as a critical source of liquidity, allowing those who use the markets, including individual investors, to manage their risks and invest effectively. The presence of competitive professional traders contributing to price discovery and the provision of liquidity is a hallmark of well-functioning markets. FIA PTG advocates for open access to markets, transparency and data-driven policy and has previously made recommendations about a variety of equity market structure issues, including Regulation NMS.

² See [FIA PTG Comment Letter on NYSE Wireless Connectivity Fees and Charges Proposal](#), May 8, 2020. (FIA PTG “First Letter”).

³ See Letter from Martha Redding, Associate General Counsel and Assistant Secretary, [NYSE Group, Inc., to Vanessa Countryman, Secretary, Commission](#), September 10, 2020. (“Partial Amendment No. 2”).

First, we reiterate the position we took in our First Letter that we view these Wireless Connections as a “facility” of the Exchange. To suggest otherwise defies logic and common sense. We commend the Commission for taking the same position and facilitating this comment process.

At this point, and going forward, we believe the most important principle is creating and maintaining a level playing field. While we are not commenting further on the technical aspects of this filing that are necessary to conduct the “level playing field” analysis, the commitment by the Exchange “to the principal of having no measurable latency differential due to its use of a Data Center Pole”⁴ — is both reasonable and an appropriately required standard. In that regard, we support the views expressed by McKay Brothers LLC and its affiliate Quincy Data LLC (“McKay”) in their September 21, 2020 comment letter⁵ regarding what is necessary to create a level playing field. In addition, like McKay, we continue to believe that the fairest configuration would be to have all equipment located together⁶ to ensure fair competition.

Finally, we feel strongly that this principle should be applied across all exchanges offering these or similar services, with a structure for a public and transparent rule filing and comment process. We are aware of other exchanges with seemingly similar configurations that warrant attention and would welcome the opportunity to review and comment.

If you have any questions about these comments, or if we can provide further information, please contact Joanna Mallers (jmallers@fia.org).

Respectfully,

FIA Principal Traders Group



Joanna Mallers
Secretary

cc: Walter J. Clayton, Chairman
Hester M. Peirce, Commissioner
Elad L. Roisman, Commissioner
Allison H. Lee, Commissioner
Caroline A. Crenshaw, Commissioner

⁴ See Partial Amendment No. 2 at 10.

⁵ See [McKay Brothers, LLC Comment Letter on NYSE Partial Amendment No. 2 to Proposed Rule Change to Establish a Wireless Fee Schedule Setting Forth Available Wireless Bandwidth Connections and Associated Fees](#), September 21, 2020. (“McKay” Letter).

⁶ See FIA PTG First Letter at 2.

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