

MEMO# 29520

December 2, 2015

Draft ICI Comment Letter to SEC Equity Market Structure Advisory Committee on Access Fees; Member Feedback Requested by Thursday, December 10

[29520]

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TO: EQUITY MARKETS ADVISORY COMMITTEE No. 26-15
ETF (EXCHANGE-TRADED FUNDS) COMMITTEE No. 28-15
ETF ADVISORY COMMITTEE No. 27-15
SEC RULES COMMITTEE No. 36-15 RE: DRAFT ICI COMMENT LETTER TO SEC EQUITY MARKET STRUCTURE ADVISORY COMMITTEE ON ACCESS FEES; MEMBER FEEDBACK REQUESTED BY THURSDAY, DECEMBER 10

ICI has drafted a comment letter to the Securities and Exchange Commission's ("SEC") Equity Market Structure Advisory Committee on the access fees charged by trading venues. A draft of the letter is attached for your review. Please send your comments on the draft to George Gilbert at george.gilbert@ici.org by Thursday, December 10.

The letter describes the development of the maker-taker pricing model employed by many U.S. equity trading venues and explains how it harms funds and investors by, among other things, creating potential conflicts of interest for brokers that route orders on behalf of funds. The letter urges the Committee to recommend that the SEC implement a pilot program to study the impact of access fees on equity market structure.

The letter contains a question – in bold and italicized – about the aspects of market structure that the Commission should assess during the pilot program. We would very much appreciate feedback on this question.

Jennifer S. Choi
Associate General Counsel

George M. Gilbert
Counsel

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