

COMMENT LETTER

October 11, 2012

ICI and ICI Global Letter on IOSCO Market Surveillance Consultation

October 11, 2012 International Organization of Securities Commissions c/o Teresa Rodriguez Arias Calle Oquendo 12 28006 Madrid, Spain Re: Public Comment on Technological Challenges to Effective Market Surveillance Dear Sir or Madam: The Investment Company Institute ("ICI") and ICI Global support the International Organization of Securities Commissions' ("IOSCO") review of challenges posed by technological developments to effective market surveillance. The consultation report ("Consultation") issued by IOSCO raises a number of issues of importance to ICI and ICI Global members.¹ ICI is the national association of U.S. investment companies, including mutual funds, closed-end funds, exchange-traded funds ("ETFs"), and unit investment trusts ("UITs").² The structure of the global financial markets has a significant impact on ICI members, who are investors of over \$13 trillion of assets on behalf of over 90 million individual shareholders.³ ICI Global is a global fund trade organization based in London; members include regulated U.S. and non-U.S. based funds publicly offered to investors in jurisdictions worldwide. ICI Global seeks to advance the common interests and to promote public understanding of global investment

1 Technological Challenges to Effective Market Surveillance, Issues and Regulatory Tools, International Organization of Securities Commissions (August 2012). The Consultation can be found on IOSCO's website at <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD389.pdf>. 2 ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of funds, their shareholders, directors, and advisers. 3 For more information on the U.S. registered investment company industry, see 2012 Investment Company Institute Fact Book at www.icifactbook.org. International Organization of Securities Commissions October 11, 2012 Page 2 of 11 funds, their managers, and investors. Members of ICI Global manage total assets of over \$1 trillion in assets worldwide. ICI and ICI Global members, and their shareholders, have a strong interest in ensuring that the regulatory structure that governs the financial markets allows for the most effective system of market surveillance possible. Consistent with this goal, we have strongly supported the examination of issues related to technology and market surveillance as well as other issues that may impact the fair and orderly operation of the global financial markets and investor confidence in those markets. Our comments on the Consultation reiterate many of the comments made in prior ICI and ICI Global letters on other proposals and consultations related to technology and market surveillance.⁴ I. General Comments The structure of the global financial markets has undergone significant changes over the past several years. Clearly, a primary driver and enabler of these changes has been the continual evolution of technologies for generating, routing and executing orders and related improvements to the speed, capacity and sophistication of the trading functions available to investors. ICI and ICI

Global have spent a significant amount of time examining the impact of technology on the financial markets and on investors. The proliferation of technology has forced funds and other institutional investors to modify their trading strategies. When determining the most efficient approach to executing a trade, funds must now take into account: (1) the impact of the increase in volume of trading attributed to certain market participants such as high frequency traders and the significant amount of electronic trading in general; (2) fragmentation in the markets and the number and types of alternative trading venues available; and (3) the new technology and tools available to funds when trading. We are therefore pleased that IOSCO has determined to take a comprehensive look at the surveillance capabilities of Market Authorities⁵ in overseeing the markets. We strongly support the goals of the Consultation – to improve surveillance capabilities on a cross-market and cross-asset basis and to make more useful to Market Authorities the data collected for surveillance purposes. In

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previously provided comments on IOSCO's consultation on issues raised by the impact of technological changes on market integrity and efficiency. See Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Werner Bijkerk, Senior Policy Advisor, IOSCO, dated August 12, 2011; available at <http://www.ici.org/pdf/25408.pdf>. We also provided comments on other IOSCO consultations related to trading and market structure issues such as dark liquidity, direct electronic access, and the regulation of short selling. For a comprehensive list of, and links to, ICI and ICI Global comment letters and statements on trading and market structure issues, see Appendix. 5 The Consultation defines "Market Authority" as a "Statutory Regulator" (i.e., supervisors of securities trading venues that are established by statute), an SRO or the operator of a trading venue, which is responsible for conducting and/or overseeing market surveillance efforts. International Organization of Securities Commissions October 11, 2012 Page 3 of 11 considering the recommendations in the Consultation, however, we urge Market Authorities to take a measured approach. If regulations are too restrictive, they may unintentionally limit the use of evolving practices and technological developments, impeding funds' use of new and innovative trading tools. In addition, if regulations are too onerous or costly for some market participants, those participants may decide not to offer certain products or services to investors, or the cost of trading may increase as market participants shift the burden of compliance with new requirements to investors. We therefore urge Market Authorities to carefully balance these potential costs with the benefits any new or amended regulations would provide to investors. II. Proposed Recommendations It is clear that regulations governing the financial markets have not kept pace with the significant changes in trading practices. This includes regulations on market abuse and disorderly trading related to technology, particularly computer generated orders. We believe the Consultation's proposed recommendations are therefore timely and necessary to assist Market Authorities, at a minimum, in establishing a framework for reviewing and amending their current market surveillance practices. A. Regulatory Capabilities We strongly agree with the Consultation's proposed recommendation that Market Authorities should have the organizational and technical capabilities to monitor effectively the trading venues they supervise, including the ability to identify market abuse and trading that may impact the fairness and orderliness of trading venues. As the Consultation notes, the absence in many jurisdictions of certain market surveillance tools is potentially one of the most significant problems facing the markets in light of recent technological developments. 1. What regulatory capabilities are, in general, needed in order for Market Authorities to survey for and detect market abuse that occurs on a cross-asset and cross-market basis? How can such abuse be best detected and combated? As the Consultation recognizes, the resources available to Market Authorities will determine, in part, the degree to which they can develop the capabilities to conduct effective surveillance. Ensuring that Market Authorities have adequate resources to survey

for and detect market abuse is critical to an overall market surveillance regime. Resources alone, however, will be ineffective if Market Authorities do not have a strong understanding of how the markets currently operate. ICI and ICI Global therefore believe that Market Authorities must focus on ensuring that staff understand the methods by which trading occurs on their markets and the various types of market participants involved in trading. Given the complexity of the International Organization of Securities Commissions October 11, 2012 Page 4 of 11 markets, a thorough understanding of how markets operate is essential to survey for and detect market abuse. Finally, as discussed further below, we believe there is a need for cooperation among Market Authorities across jurisdictions, and also among Market Authorities in the same jurisdiction but across different markets or asset classes, to effectively survey for and detect market abuse.

2. Do you think existing systems (e.g., audit trail systems) in your jurisdiction monitor effectively electronic trading (both cross-market and cross-asset), i.e., are they able to ensure the fair and orderly functioning of Trading Venues and to promote market integrity? Please explain and describe any enhancements that you believe are necessary. Are the necessary resources for effective systems available? A robust transaction reporting regime is necessary to enable Market Authorities to monitor the activities of market participants, to ensure compliance with regulations, and to monitor for market abuses. In the United States, ICI supported the U.S. Securities and Exchange Commission's ("SEC") recently adopted rule to develop, implement, and maintain a consolidated audit trail ("CAT").⁶ Specifically, the new rule will require U.S. exchanges to jointly submit a comprehensive plan detailing how they would create, implement, and maintain a consolidated audit trail that must collect and accurately identify every order, cancellation, modification, and trade execution for all exchange-listed equities and equity options across all U.S. markets. We strongly support an examination by other Market Authorities of similar audit trail regimes.

3. To be able to perform effectively market surveillance, to what extent should Market Authorities have the ability to reconstruct and analyze order books? Why or why not? We strongly believe that Market Authorities should have the ability to reconstruct and analyze order books. This need was illustrated after the flash crash in the United States, when it was extremely difficult and time consuming for the SEC to analyze the events that took place. We are encouraged by efforts of some regulators to devote resources towards improving their ability to examine order books. For example, the SEC recently announced that it is working with outside vendors to implement computer programs that will provide the SEC with the tools necessary to more readily detect trading that may be abusive or manipulative and to more quickly reconstruct a market infrastructure disruption. In addition, the SEC's CAT, as discussed above, should assist in the examination of order books and overall trading. We believe Market Authorities should devote increased resources towards such efforts, as outdated technology can limit the ability to examine market disruption events and oversee the markets in general.

⁶ See Letter from Karrie

McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated August 9, 2010; available at <http://www.ici.org/pdf/24477.pdf>. International Organization of Securities Commissions October 11, 2012 Page 5 of 11

B. Review of Surveillance Capabilities ICI and ICI Global strongly believe that Market Authorities should review their surveillance capabilities as a regular part of any surveillance regime. Such a review is important to determine whether the necessary resources have been allocated to keep pace with the rapid technological advancements in trading.

4. Do you think that developments in technology have impacted Market Authorities' ability to monitor markets? If so, how? There is no doubt that rapid developments in technology have impacted Market Authorities' ability to monitor the financial markets. Most significantly, the use of automated trading and high frequency trading has significantly increased over just the past several years. As noted above, we

believe that regulations governing the financial markets have not kept pace with the proliferation of electronic trading and the significant changes in market participants' trading practices. We are concerned that recent technological advances in trading have allowed practices that should be considered as improper or manipulative to be employed more easily and cheaply, thereby lowering the risk to users of these practices. This, in turn, has made trading more challenging for funds that are interested in buying and selling large positions and that can be disadvantaged by market participants that trade in front of their orders.⁷ 5. Are there specific developments that have impacted this ability more than others? If so, which ones? We believe it is difficult to point to one or more specific developments that may have impacted the ability of Market Authorities to monitor the markets as technological developments in trading that have taken place cannot be viewed in a vacuum. Many technological developments are closely linked and must be considered together as market surveillance issues are examined.

⁷ See, e.g., Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Werner Bijkerk, Senior Policy Advisor, IOSCO, dated August 12, 2011 (IOSCO Consultation on Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency); available at <http://www.ici.org/pdf/25408.pdf>. International Organization of Securities Commissions October 11, 2012 Page 6 of 11

6. To what extent have you identified instances of market abuse or possible market abuse, including inappropriate activity that could (or has) lead to disorderly markets, which you feel is directly related to the misuse of automated trading technology? Please provide details. For example: Do you believe your jurisdiction has experienced market infrastructure disruptions caused by automated trading, including HFT/algorithm use, that have caused network traffic or processing to exceed the capacity of Trading Venues, key market information providers or large market participants? If so, please describe. There have been a number of recent instances of market infrastructure disruptions in the financial markets that have been related in one way or another to the use of technology in trading. ICI and ICI Global therefore have supported the establishment of robust pre- and post-trade risk controls to prevent systems from generating and sending orders to the market that may be erroneous or not compliant with applicable regulatory requirements. One issue that we believe should be examined by Market Authorities is the increasing number of order cancellations in the markets, particularly those that are cancelled shortly after submission. Orders sent to the market with no intention of being executed can strain a market's technological infrastructure, and under the right circumstances, could interrupt the ability to process trades in an orderly fashion. ICI and ICI Global members also report that certain of the practices and strategies surrounding cancellations often are designed to detect fund trading of large blocks of securities and to trade with or ahead of those blocks to the detriment of investors.⁸ Similarly, exchanges and other trading venues continue to create various types of orders to cater to market participants who create automated trading strategies and desire a vehicle through which to implement those strategies. Many of these order types facilitate strategies that can lead to disorderly markets or that can benefit market participants at the expense of long-term investors. We therefore recommend that Market Authorities vigorously examine the specific order types that exchanges and other trading venues offer and any market surveillance issues raised by the use of these order types. 7. Have there been any developments other than technology that have impacted Market Authorities' ability to monitor the markets? Please provide details. While arguably related to technology, we believe that the fragmentation of the financial markets and the submission of large numbers of orders and trades across multiple venues have contributed to the difficulties for Market Authorities to effectively monitor the markets.

⁸ We have recommended on several occasions that regulators examine whether a fee should be imposed on cancelled orders above a certain

ratio of orders to executed transactions, designed to discourage the current risk free use of certain types of orders and to protect the integrity of the markets' infrastructure. We urge Market Authorities and market participants to address concerns regarding cancelled orders and to consider truly meaningful fees or other deterrents that could adequately address this behavior. International Organization of Securities Commissions October 11, 2012 Page 7 of 11

C. Access to Data ICI and ICI Global agree with the Consultation that the ability to access the data necessary to oversee a market is integral to an effective surveillance system. We therefore support the Consultation's proposed recommendation that within a jurisdiction, the relevant Market Authorities should individually or collectively have the capability to access data in a way that enables them to conduct effective surveillance.

8. To what extent do you think that a Central Reporting Point is necessary within a domestic market in order to conduct surveillance effectively, particularly across markets and/or assets? In other words, to what extent would the development of audit trail systems that are able to consolidate pre- and post-trade data across Trading Venues within a domestic market be beneficial? Please explain your answer.

a. To the degree that you advocate a Central Reporting Point, what kind of data would be needed for your respective surveillance tasks, e.g., order data/transactions data, both? What are the impediments to introducing these systems? What are the benefits?

b. What are the potential costs associated with the establishment of a Central Reporting Point? As discussed above, ICI supported the SEC's recently adopted rule to create a CAT that will collect and accurately identify every order, cancellation, modification, and trade execution for all exchange-listed equities and equity options across all U.S. markets. We agree with arguments made by some Market Authorities that a "Central Reporting Point" ("CRP"), such as the one that would be facilitated by a CAT, could assist Market Authorities in their ability to detect the use of manipulative or deceptive practices in the markets as well as perform market reconstructions in a timely manner. We also agree that the information provided by a CRP could help assess the impact of technological developments on the quality of the markets, such as the impact of automated trading and high frequency trading. We therefore believe a CRP could prove beneficial to the markets overall. We are cognizant, however, about the potential costs related to developing and operating a CRP. We therefore believe that as Market Authorities consider the development of any audit trail system, they consider costs as one of the factors in determining the type and scope of such a system.

9. Are there alternatives to a Central Reporting Point that can achieve the same end? Please explain. Given concerns relating to the costs associated with a CRP, we are open to alternatives that would achieve the same results. International Organization of Securities Commissions October 11, 2012 Page 8 of 11

D. Customer Identification

10. To what extent should market surveillance systems or audit trails require the provision of customer identifiers? What are the impediments to providing customer identifiers in audit trail data? In general, we believe that Market Authorities should have the capability to associate a customer and market participant with each order and transaction; a market surveillance system or audit trail would ultimately benefit if a customer can be identified. Along these lines, ICI has supported the development of a global legal entity identifier ("LEI") for the financial markets to aid regulators and market participants in measuring and monitoring systemic risk.⁹ As discussed further below, however, the confidentiality of the customer identification must be ensured and any customer identification system must contain appropriate confidential safeguards to protect surveillance data that is reported to the system.

E. Format We support efforts by Market Authorities to ensure that data required for market surveillance be reported to them for use and storage in a usable format. We believe data reported in such a manner would facilitate the use and comparison of data by Market Authorities in an efficient and effective manner.

11. What regulatory steps, if any, should Market Authorities take in order to help ensure that any data reported to them for use and

storage is in a usable format? ICI and ICI Global do not have a specific view on this question at this time. 12. To what extent are you concerned about the ability of Market Authorities to reconstruct and analyze order book(s) in the correct sequence? What tools are necessary to do so? As discussed above, we believe the ability of Market Authorities to reconstruct and analyze order books is significant given the number of recent market infrastructure disruptions. Providing Market Authorities with the tools to conduct such activities will be critical given the speed at which trades occur, the complexity of trading, and the fragmentation of the markets. We believe the proposed recommendations in the Consultation will go far in facilitating the ability for Market Authorities to effectively examine order books.

9 See, e.g., Letter from Trade Associations to IOSCO and Committee on Payment and Settlement Systems, dated September 23, 2011 (supporting IOSCO-CPSS position that a system of LEIs would be an essential tool for the aggregation of OTC derivatives data). International Organization of Securities Commissions October 11, 2012 Page 9 of 11 F. Data Protection We believe that data protection is one of the most significant aspects of any market surveillance system. We therefore strongly agree with the Consultation's proposed recommendation that Market Authorities establish and maintain appropriate confidential safeguards to protect surveillance data that is reported to them. As ICI has stated in several letters to the SEC, the confidentiality of information regarding fund trades is of significant importance to funds. Any premature or improper disclosure of this information can lead to frontrunning of a fund's trades, adversely impacting the price of the stock that the fund is buying or selling. 13. To what extent are current confidentiality provisions sufficient? If not, how can they be strengthened? We understand that many Market Authorities have confidentiality provisions incorporated into their regulatory market surveillance regimes. We believe that all such provisions should, at a minimum, ensure that data provided to Market Authorities for the performance of their surveillance functions is secure, used only for regulatory purposes, and cannot be viewed or amended by unauthorized parties. 14. To what extent should Market Authorities be able to obtain surveillance data from other Market Authorities, whether inside or outside their jurisdiction, relating to securities trading, including the identity of customers? What issues are raised? Please explain your answer. We agree that in the context of compliance, investigations and enforcement, Market Authorities may need to share information with other Market Authorities. When this takes place, all involved Market Authorities must take steps to ensure the appropriate confidentiality agreements are in place. G. Synchronization of Business Clocks 15. To what extent do you think there would be value in requiring Trading Venues and market participants to attach a synchronized time-stamp to their orders reflecting when that order was sent? We agree, in general, with the policies surrounding the proposed recommendation that Market Authorities should consider requiring trading venues and their participants within their jurisdiction to International Organization of Securities Commissions October 11, 2012 Page 10 of 11 synchronize the business clocks they use to record the date and time of any reportable event. Specifically, we believe synchronizing time stamps could facilitate the accuracy of trade data and assist Market Authorities in surveillance overall. We are cognizant, however, of the difficulties of requiring all market participants to accurately synchronize time stamps, particularly in jurisdictions with fragmented markets, multiple trading venues, and numerous market participants, and of the confusion that may occur if such time stamps are inaccurate by the most minimal of measures. We therefore believe that there is a need for Market Authorities to further examine the feasibility of synchronized time stamps prior to requiring trading venues and market participants to attach such time stamps to their orders. H. Cross-Border Surveillance Capabilities Given the proliferation of cross-border trading, the cooperation of Market Authorities in different jurisdictions has become critical to an effective market surveillance system. 16. What steps, if any, should

Market Authorities take to facilitate cross-border surveillance? Are the current processes sufficient? 17. What regulatory capabilities are, in general, needed in order for Market Authorities to survey for and detect market abuse that occurs on a cross-border basis? How can such abuse be best detected and combated? We agree with the Consultation that, at a minimum, Market Authorities should work collectively and take appropriate steps to strengthen their cross-border surveillance capabilities. Jurisdictions around the world are addressing the market surveillance issues discussed in the Consultation, and we believe it is therefore desirable to achieve a broad consistency of approach to issues surrounding market surveillance across different jurisdictions given the links between the financial markets. * * * * * International Organization of Securities Commissions October 11, 2012 Page 11 of 11 We offer our assistance as the issues under the Consultation continue to be examined. If you have any questions on our comments, please feel free to contact the undersigned, or Ari Burstein at 1- 202-371-5408 or aburstein@ici.org. Sincerely, /s/ Karrie McMillan /s/ Dan Waters Karrie McMillan Dan Waters General Counsel Managing Director Investment Company Institute ICI Global 1-202-326-5815 44-203-009-3101 kmcmillan@ici.org dan.waters@ici.org

A-1 APPENDIX KEY ICI AND ICI GLOBAL COMMENT LETTERS AND STATEMENTS ON MARKET STRUCTURE ISSUES

Order Execution Obligations: Letter from Craig S. Tyle, Senior Counsel, Investment Company Institute, to Jonathan G. Katz, Secretary, Securities and Exchange Commission, dated January 16, 1996; available at <http://www.ici.org/pdf/7561.pdf>

Regulation of Exchanges and Alternative Trading Systems: Letter from Craig S. Tyle, General Counsel, Investment Company Institute, to Jonathan G. Katz, Secretary, Securities and Exchange Commission, dated July 28, 1998; available at http://www.ici.org/pdf/comment98_reg_exch_atc.pdf

Market Fragmentation Concept Release: Letter from Craig S. Tyle, General Counsel, Investment Company Institute, to Jonathan G. Katz, Secretary, Securities and Exchange Commission, dated May 12, 2000; available at <http://www.ici.org/pdf/11894.pdf>

Subpenny Concept Release: Letter from Craig S. Tyle, General Counsel, Investment Company Institute, to Jonathan G. Katz, Secretary, Securities and Exchange Commission, dated November 20, 2001; available at http://www.ici.org/policy/comments/01_SEC_SUBPENNY_COM

Regulation NMS: Letter from Ari Burstein, Associate Counsel, Investment Company Institute, to Jonathan G. Katz, Secretary, Securities and Exchange Commission, dated June 30, 2004; available at http://www.ici.org/policy/markets/domestic/04_sec_nms_com

Disclosure of Short Sales and Short Positions: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Florence Harmon, Acting Secretary, Securities and Exchange Commission, dated December 16, 2008; available at <http://www.ici.org/pdf/23128.pdf>

IOSCO Consultation on Regulation of Short Selling: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Greg Tanzer, Secretary General, IOSCO, dated May 18, 2009; available at http://www.ici.org/pdf/comment_051809_iosco_consult.pdf

IOSCO Consultation on Direct Electronic Access: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Greg Tanzer, Secretary General, IOSCO, dated May 20, 2009; available at <http://www.ici.org/pdf/23474.pdf>

Amendments to Regulation SHO (Short Selling): Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 19, 2009; available at http://www.ici.org/policy/comments/cov_comment/09_sec_short_sale_com

U.S. Senate Market Structure Hearing: Statement of the Investment Company Institute, Hearing on "Dark Pools, Flash Orders, High Frequency Trading, and Other Market Structure Issues," Securities, Insurance, and Investment Subcommittee, Committee on Banking, Housing & Urban Affairs, U.S. Senate, October 28, 2009; available at <http://www.ici.org/pdf/23925.pdf>

A-2 Flash Orders: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated November 23, 2009; available at <http://www.ici.org/pdf/23973.pdf>

Non-Public Trading

Interest: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated February 22, 2010; available at <http://www.ici.org/pdf/24142.pdf> Market Access: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated March 29, 2010; available at <http://www.ici.org/pdf/24210.pdf> SEC Concept Release on Equity Market Structure: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated April 21, 2010; available at <http://www.ici.org/pdf/24266.pdf> SEC Market Structure Roundtables: Letters from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 1, 2010 and June 23, 2010; available at <http://www.ici.org/pdf/24361.pdf> and <http://www.ici.org/pdf/24384.pdf> Circuit Breakers: Letters from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 3, 2010 and July 19, 2010; available at <http://www.ici.org/pdf/24364.pdf> and <http://www.ici.org/pdf/24438.pdf> Large Trader Reporting System: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 22, 2010; available at <http://www.ici.org/pdf/24381.pdf> Clearly Erroneous Executions: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated July 19, 2010; available at <http://www.ici.org/pdf/24437.pdf> Consolidated Audit Trail: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated August 9, 2010; available at <http://www.ici.org/pdf/24477.pdf> European Commission Review of MiFID: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Directorate General, European Commission, dated February 2, 2011; available at <http://www.ici.org/pdf/24946.pdf> IOSCO Consultation on Dark Liquidity: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Werner Bijkerk, Senior Policy Advisor, IOSCO, dated February 11, 2011; available at <http://www.ici.org/pdf/24968.pdf> A-3 Limit Up-Limit Down System: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 22, 2011; available at <http://www.ici.org/pdf/25295.pdf> Dodd-Frank Act Short Sale Reporting Study: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated June 23, 2011; available at <http://www.ici.org/pdf/25297.pdf> IOSCO Consultation on Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Werner Bijkerk, Senior Policy Advisor, IOSCO, dated August 12, 2011; available at <http://www.ici.org/pdf/25408.pdf> Regulatory Action on Short Selling in the European Union: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Steven Maijor, Chair, European Securities and Markets Authority, dated August 17, 2011; available at <http://www.ici.org/pdf/25428.pdf> ESMA Consultation on Guidelines on Systems and Controls in a Highly Automated Trading Environment: Letter from Karrie McMillan, General Counsel, Investment Company Institute, to Steven Maijor, Chair, European Securities and Markets Authority, dated October 3, 2011; available at <http://www.ici.org/pdf/25546.pdf> NASDAQ Market Quality Program: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated May 3, 2012; available at <http://www.ici.org/pdf/26142.pdf> NYSE Arca Fixed Incentive Program: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated

June 7, 2012; available at <http://www.ici.org/pdf/26227.pdf> U.S. House of Representatives Market Structure Hearing: Testimony of Kevin Cronin, Global Head of Equity Trading, Invesco, on Behalf of the Investment Company Institute, Hearing on “Market Structure: Ensuring Orderly, Efficient, Innovative and Competitive Markets for Issuers and Investors,” Subcommittee on Capital Markets and Government Sponsored Enterprises, Committee on Financial Services, U.S. House of Representatives, June 20, 2012; available at http://www.ici.org/pdf/12_house_cap_mkts.pdf NASDAQ and NYSE Arca Market Maker Incentive Programs: Letter from Ari Burstein, Senior Counsel, Investment Company Institute, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated August 16, 2012; available at <http://www.ici.org/pdf/26400.pdf>

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