



CENTER FOR CAPITAL MARKETS
COMPETITIVENESS

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

Re: Proposed Rule Change to Introduce a Liquidity Provider Protection on Cboe EDGA (File No. SR-CboeEDGA-2019-012)

Dear Secretary Countryman:

The U.S. Chamber of Commerce (“the Chamber”) writes regarding the U.S. Securities and Exchange Commission’s (“the Commission”) Notice of Filing of a Proposed Rule Change to Introduce a Liquidity Provider Protection on Cboe EDGA Exchange, Inc. (“the Exchange”). On June 20, 2019, the Commission published a notice to solicit comments on the Proposed Rule Change.

The purpose of the Proposed Rule Change, according to the filing, is to introduce a delay mechanism on EDGA that is designed to protect liquidity providers and thereby enable those liquidity providers to make better markets in equity securities traded on the Exchange. However, other market participants have raised questions, as evidenced in the comment file, regarding its purported benefits. The Proposed Rule Change is unique and unprecedented in the U.S. equity markets given it would institute an asymmetric speed bump. It raises new questions about the complexity of the U.S. capital market structure and consistency with existing legal precedents set by both Regulation NMS and the Order Protection Rule.

The Chamber believes the Commission should thoroughly analyze and justify the impact on all stakeholders and strongly consider what the precedent of the Proposed Rule Change would mean for the future of U.S. capital markets before making a determination about its compliance with the Securities Exchange Act of 1934.

Very Respectfully,

Tom Quaadman