

# FINANCIAL INFORMATION FORUM

11 Hanover Square  
New York, NY 10005

April 29, 2021

**By electronic mail to rule-comments@sec.gov**

Vanessa Countryman, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**Re: Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail by BOX Exchange LLC; Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe C2 Exchange, Inc. and Cboe Exchange, Inc., Financial Industry Regulatory Authority, Inc., Investors Exchange LLC, Long-Term Stock Exchange, Inc., Miami International Securities Exchange LLC, MEMX, LLC, MIAX Emerald, LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, The NASDAQ Stock Market LLC; and New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc., and NYSE National, Inc. (File No. 4-698)**

Dear Ms. Countryman,

The Financial Information Forum (FIF)<sup>1</sup> appreciates the opportunity to submit this request for additional information relating to the above-referenced Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail (CAT NMS Plan). The Notice of Filing of Amendment (the Amendment) sets forth a revised proposed funding model for the Consolidated Audit Trail. FIF is writing to request additional information to assist FIF members in better understanding the fees that they would be subject to under the Amendment. FIF requests the following information:

1. Section 11.1(a) of the CAT NMS Plan refers to an annual operating budget. FIF members request that the Operating Committee (as defined in the CAT NMS Plan) provide to Industry Members (as defined in the CAT NMS Plan) a copy of the annual operating budget for 2021 along with any quarterly updates that include actuals and revised projections.

---

<sup>1</sup> FIF ([www.fif.com](http://www.fif.com)) was formed in 1996 to provide a centralized source of information on the implementation issues that impact the securities industry across the order lifecycle. Our participants include trading and back office service bureaus, broker-dealers, market data vendors and exchanges. Through topic-oriented working groups, FIF participants focus on critical issues and productive solutions to technology developments, regulatory initiatives, and other industry changes.

2. Exhibit B to the Amendment provides an illustrative example of the fees that would be owed by different Industry Members for a representative quarter of 2021. The Operating Committee notes in Exhibit B that the calculation of actual fees will differ from the illustrative example in various ways, but Exhibit B can provide a reasonable estimate of the fees that would be owed by a firm based on its current level of trading activity and methodology for CAT reporting. FIF requests that the Operating Committee notify each Industry Member upon request of its Industry Member number in the Industry Member table in Exhibit B.
3. FIF requests that the Operating Committee publicly provide the industry-wide data necessary for Industry Members to calculate their own estimates of their fees, per the proposal. This data presumably would include the following data as used by the Operating Committee in its estimates (provided separately for equities and options): (a) the total number of reported events for each Industry Member (by Industry Member number and without attribution); (b) the aggregate number of reported events for all Industry Members; (c) the number of reported events that are marked as "Market Maker" events for each Industry Member (by Industry Member number and without attribution); and (d) the aggregate number of Market Maker events for all Industry Members. At a minimum, it is important that the requested unattributed firm-specific data be provided for each Industry Member that exceeds the 8% threshold referenced in the Revised Funding Proposal, as the distribution of reported events among different Industry Members that exceed the 8% threshold impacts the fee allocation for other Industry Members.
4. FIF requests that the Operating Committee publicly provide the options and equity trade-to-quote ratios for the quarter.
5. FIF requests that the Operating Committee provide to each Industry Member, privately, the data used for that Industry Member's estimated fees, including: (a) the Industry Member's number of total reported events; (b) the number or percentage of the Industry Member's reported events that were marked "Market Maker"; and (c) the calculations that the Operating Committee made for such Industry Member's estimate in Exhibit B.
6. FIF requests that the Operating Committee provide the aggregate number of reportable events of each type that are counted towards the total number of reportable events (for example, "x" number of New Order events, "y" number of Order Route events, etc.).

FIF appreciates the opportunity to submit this request for additional information. If you would like clarification on any of the items discussed in this letter or would like to discuss further, please contact me at [howard.meyerson@fif.com](mailto:howard.meyerson@fif.com).

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson, Managing Director, Financial Information Forum

cc: Mr. Michael Simon, CAT NMS Plan Operating Committee Chair