

April 14, 2016

Mr. Brent J. Fields
Secretary
Securities and Exchange Commission
100 F. Street N.E.
Washington, D.C. 20549-1090

RE: Release No. 3477407 File No. S7-03-16

Dear Mr. Fields:

We are writing on behalf of Franklin Resources, Inc., a global investment manager that operates under the name Franklin Templeton Investments ("Franklin Templeton"). As of March 31, 2016, Franklin Templeton managed approximately \$742 billion in assets, of which over \$410 billion constituted investment companies registered with the SEC under the Investment Company Act of 1940.

Franklin Templeton appreciates the opportunity to comment on the SEC's proposal to explicitly permit "de minimis" delays in "automated quotations" that are under one millisecond. As an initial matter, we believe the SEC should not condition the approval of IEX's exchange application on the proposed interpretation. Rather, IEX's application should be approved without delay.

In addition, we are concerned that the SEC's proposal would likely introduce significant unnecessary market complexities and create significant risks for investors. We worry that the SEC's proposal could create future unknown conflicts that simply reside in a one millisecond world. To mitigate risks to investors and the markets, we recommend the SEC adopt the framework outlined by the Healthy Markets Association in its April 1st comment letter.¹

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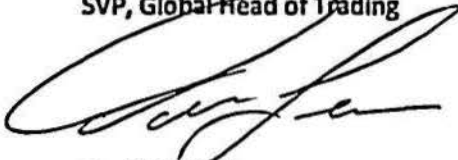
We appreciate your consideration of our comments, and would be pleased to respond to any questions from the SEC or the staff.

¹ Letter from Dave Lauer, Healthy Markets Association, to Brent Fields, SEC, (Apr. 1, 2016).

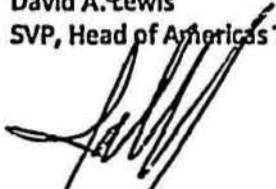
Sincerely,



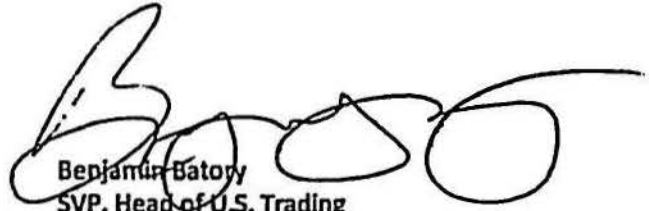
William J. Stephenson
SVP, Global Head of Trading



David A. Lewis
SVP, Head of Americas Trading



John Russell
SVP, Global Trading – ECM & Risk



Benjamin Batory
SVP, Head of U.S. Trading