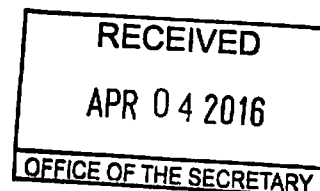




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April 1, 2016



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

RE: Release No. 34-77407; File No. S7-03-16

Dear Mr. Fields:

Ethical Markets Media appreciates the opportunity to comment on the SEC's proposed interpretation of the definition of an automated quotation under Regulation NMS.

About Ethical Markets Media

Ethical Markets Media (EMM), USA and Brazil, a Certified B Corporation, was founded in 2004 by former US government science policy advisor, Dr. Hazel Henderson. EMM's mission augments mainstream media and their commercial constraints in covering the global transition now well underway from the unsustainable fossil-fueled Industrial Era to the cleaner, greener, more inclusive, knowledge-rich technologies and economies we call the Solar Age.

To this end, we engage with the global financial system and seek to accelerate adoption of new pioneering asset management models, highlighting leading portfolio managers and their new valuation methods and those promulgated by innovative standards for accounting for all forms of capital (finance, built, intellectual, human, social and natural), promulgated by IRRC, SASB,GRI,GIIRS, Domini, Calvert, CDSB, ICAEW, MSCI, CERES, CDP and others. Many of their leaders serve on our Advisory Board and our other expert panels. We engage asset managers using such new models in our regular retreats, expert seminars and lectures, books, academic papers, syndicated columns and TV series, all distributed worldwide.

We work with the UN Principles for Responsible Investing (of which EMM is a signatory) and the UN Global Compact and contributed a paper, "Perspectives on Reforming Electronic Markets and Trading", to the ongoing UN Inquiry on Design of a Sustainable Financial System, which we submitted to the SEC.

Hazel Henderson, D.Sc.Hon., FRSA, CEO, President, Editor-In-Chief, is a futurist; evolutionary economist; author of *The Politics of the Solar Age* (1981, 1986); award-winning *Ethical Markets: Growing the Green Economy* (2006) and many other books. She has advised the U.S. Office of Technology Assessment, National Academy of Engineering and National Science Foundation. Her 2014 monograph, Mapping the Global Transition to the Solar Age, published by ICAEW and Tomorrow's Company, UK, is available for free download from www.ethicalmarkets.com.

Comment on SEC's Proposed Action

On March 18, 2016, as part of its consideration of the IEX exchange application, the SEC released for public comment a proposal to revise its interpretation of what qualifies as an "automated quotation" under Regulation NMS to explicitly permit "de minimis" delays in "automated quotations" that are under one millisecond.

The SEC's new proposed interpretation:

- Is unnecessary;¹
- Is inconsistent with the SEC's obligations under the Exchange Act;
- Would undermine the fairness and efficiency of the markets;
- Would introduce significant unnecessary market complexities; and
- Would create significant risks for investors.

We recommend that the SEC either (i) abandon its re-interpretation and approve the IEX application on its merits, or, alternatively, (ii) modify its proposed "de minimis" exemption along the lines of the proposal from the Healthy Markets Association.

Healthy Markets Association Proposal

To better protect investors and promote fair and efficient markets, while also fulfilling its obligations under the Exchange Act, we support the framework outlined by the Healthy Markets Association.

Accordingly, the SEC should evaluate each proposed delay, regardless of its duration, and specifically determine that it is designed and applied in a manner that is consistent with the purposes of the Exchange Act.² Many potential delays, including those for under one millisecond in duration, will likely not pass this test.

Further, the SEC should expressly condition any "de minimis" delay upon meeting at least the following conditions:

1. Any response time delays, whether intentional or not, are always less than one millisecond.
2. All intentional response time delays must be applied equally to all participants in their use of the market, and across all order types. Response time delays cannot be altered by any means, including fees. This ensures fair access and just and equitable principles of trade. Time delays should not apply to an exchange's ability to price orders on behalf of all participants (i.e. PEGging).
3. There are no intentional delays in sending data to the Securities Information Processor.

¹ The SEC's existing interpretation of "automated quotation" is not inconsistent with the IEX application, and thus we believe no further interpretation is necessary. The SEC has permitted geographic distances between current market centers that result in time delays that, at times, may be greater than that contemplated by IEX. Nevertheless, the SEC has already accepted that, despite such delays, the quotes are "immediately accessible."

² Specifically, it should be "designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, ... to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and [] not designed to permit unfair discrimination between customers, issuers, brokers, or dealers." See, Securities Exchange Act of 1934, Section 6.

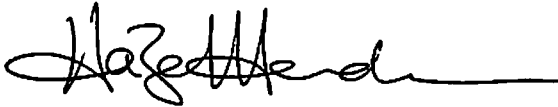
4. The purpose of each intentional response time delay is clearly stated, the delay is expressly intended to benefit long-term investors, and the delay is the simplest means of achieving the stated purpose.

In addition, the SEC should consider the likely different impacts of deterministic or randomized delays on market liquidity, quote accessibility and market integrity. Lastly, because of the evolving nature of the markets and technology, the one millisecond standard should be reviewed as part of an annual retrospective review to ensure the time period remains appropriate.

Conclusion

The SEC does not need to revise its interpretation of "automated quotation" in order to approve IEX's Exchange application. Nevertheless, if the SEC elects to revise its interpretation of an "automated quotation," we urge it to revise the interpretation as recommended above.

Respectfully Submitted,



Hazel Henderson, D.Sc.Hon., FRSA
CEO, President, Editor-In-Chief