

CSS, LLC

175 West Jackson
Suite 440
Chicago, Illinois 60604

Phone: 312-542-8505
Fax: 312-542-8500

Ms. Elizabeth Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC. 20549-1090

July 15, 2010

Re: COMMENT LETTER ON PROPOSED CLEARLY ERRONEOUS EXECUTIONS

Release No. 34-62331	SR-NSX-2010-07
Release No. 34-62332	SR-NYSEAMEX-2010-60
Release No. 34-62333	SR-NYSE-2010-47
Release No. 34-62334	SR-NASDAQ-2010-076
Release No. 34-62335	SR-NYSEArca-2010-58
Release No. 34-62336	SR-CHX-2010-13
Release No. 34-62337	SR-CBOE-2010-056
Release No. 34-62338	SR-EDGA-2010-03
Release No. 34-62339	SR-EDGX-2010-03
Release No. 34-62340	SR-BATS-2010-016
Release No. 34-62341	SR-FINRA-2010-032
Release No. 34-62342	SR-BX-2010-040

Dear Ms. Murphy:

CSS, LLC appreciates the opportunity to comment on the proposed rule addressing clearly erroneous executions submitted by the exchanges and by FINRA.

CSS, LLC is a registered broker-dealer and a member organization of the CBOE. We are a proprietary trading firm.

It is difficult to address clearly erroneous executions without also commenting on the proposed circuit breaker halts.

CSS believes that the clearly erroneous executions proposal is overly complex and opaque. The rule proposal refers to a "Reference Price" which, in certain circumstances, can be the consolidated last sale immediately prior to the execution under review or the "Trading Pause Trigger Price" or a Reference Price that is other than the consolidated last

sale or the Trading Pause Trigger Price and which is unknown to anyone prior it being deemed the reference price. Added to all this is the determination of a Trading Pause Trigger Price, a 10% move calculated on a rolling, second by second, 5 minute time period, that is not publicly disseminated and you have the perfect recipe for mass confusion.

CSS also believes that the markets should have as much certainty and clarity as possible. Towards that end, we propose that the trading centers adopt a circuit breaker for individual securities that is based on the market wide circuit breaker model currently in effect.

CSS proposes that the trading venues calculate a circuit breaker for individual securities based on a percentage change from the previous day's closing price (the venue could decide to use the opening price as the benchmark to allow for the dissemination of overnight news). Assuming virtually all securities will shortly have circuit breakers, this will permit investors to know with certainty the price at which a security will be halted for trading. In addition, we also believe that all trades within the permitted range are, by definition, not clearly erroneous trades. This proposal would not only eliminate the need for erroneous trade rules but also removes the concern that some trades would be broken while other related trades may not be broken which may result in losses due to hedging activities.

We understand that our proposal does not address the specific individual security circuit breaker price levels or what circuit breaker levels are appropriate after a halt due to the imposition of a circuit breaker. We would leave those decisions to the market centers to agree on. However, it is our position that markets are better off than not if investors know what will happen and when it will happen before it happens.

Notwithstanding our proposal, if the regulators continue to employ the rolling circuit breaker, they should publicly disseminate those price levels.

We would be happy to discuss our proposals with the Commission.

Respectfully submitted,

Peter A. Ianello
Partner

