

DAVID A. ("DAVE") HAND

(NOT CASE-SENSITIVE)

SUBJECT: FILE NO. 10-222

LADIES AND GENTLEMEN:

I recommend that the Investors' Exchange (IEX) be made a fully licensed US Securities Exchange. As 13 such exchanges now exist, do we need one more? YES! For the past few years, it has done something no one else has, in the market or government, and continues as the sole party doing so. It makes it very hard if not impossible to FRONT-RUN trades in its venue.

I certainly believe investors need a way to dump quickly securities bought or sold-short in error or unwisely. But, Front Running is NOT in that category. It is only profitable to a relative few with the capital to access high-tech., in a way most unfair to all other investors in exchange-listed firms. And I see no redeeming social value. It does not help companies raise public capital, nor provide much if any more liquidity for investors overall. To me, it is nothing but a currently-legal SCAM.

If US securities law and/or general trading (infra-)structure made this practice illegal and/or impossible, we might not need IEX's Magic Shoebox. But so far, a long coil of fiber-optic cable in one location is the only thing to make it (nearly) impossible to Front Run. Upgrading its exchange status would make it accessible to many more investors seeking protection from FR.

It might also encourage other exchanges and venues to follow suit. Even if the Shoebox is PATENTED, it could be licensed to others for the right amounts in royalties to IEX. I think it should be rewarded for taking this lead on its own, with private money and no initial assurance of profit or even protection from loss.

If you have questions or comments, contact me by any or all means listed at the top.

SINCERELY,

DAVE HAND