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EXECUTIVE VICE PRESIDENT  
CHIEF LEGAL OFFICER & CHIEF  
REGULATORY OFFICER



**VIA ELECTRONIC MAIL**

December 19, 2019

Ms. Vanessa Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

**Re: MEMX, LLC Notice of Filing of Application, as Amended, for Registration as a National Securities Exchange under Section 6 of the Securities Exchange Act of 1934 (Release No. 34- 87436; File No. 10-237)**

Dear Ms. Countryman:

Nasdaq, Inc. (“Nasdaq”) appreciates the opportunity to comment briefly on the application, as amended (the “Application”)<sup>1</sup> that MEMX, LLC (“MEMX”) has filed with the Securities and Exchange Commission (“SEC” or “Commission”) for registration as a national securities exchange, pursuant to Section 6 of the Securities Exchange Act of 1934 (“Act”).<sup>2</sup> As a general matter, Nasdaq strongly supports competition, as it motivates us to improve ourselves by striving to become ever more nimble, disciplined, efficient, and creative. The specter of competition also drives us to focus on continuously delivering on our promise to the investing public, and to our members, to provide the deepest, most advanced, innovative, fair, transparent, secure, and reliable equity markets in the world. Nasdaq welcomes the prospect of MEMX’s entry into what is already a vigorously competitive market for equity order flow and related services.

MEMX enters the market with the stated purpose of serving the interests of its member-owners.<sup>3</sup> Nasdaq hopes and expects that MEMX will do so without compromising the broader

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<sup>1</sup> See MEMX LLC, Application for Registration as a National Security Exchange on Form 1, dated Sept. 9, 2019, as amended, Oct. 23, 2019.

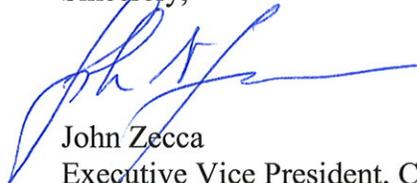
<sup>2</sup> 15 U.S.C. 78f.

<sup>3</sup> See Press Release, “Group of Leading Retail Brokers, Financial Services Firms, Banks, and Global Market Makers Plan to Launch the Only Member-Owned Equities Exchange, MEMX, Members Exchange,” dated Jan. 7, 2019, at <https://memx.com/introducing-memx/> (“MEMX’s mission is to increase competition, improve operational transparency, further reduce fixed costs, and simplify the execution of equity trading in the U.S. In

interests of market participants and, ultimately, of investors. Nasdaq hopes that MEMX, as it strives to save money for its member-owners, will not do so by forgoing the investments in technology, the allocation of resources, and the imposition of safeguards, that are needed to regulate and surveil its market rigorously, to discipline its members fairly and firmly, and to meet to the same exacting standards that the securities laws demand, which investors have come to expect, and which Nasdaq satisfies each and every day. Our expectation is that the Commission will hold the “Members’ Exchange” to the same regulatory standard to which it holds other SROs – which is to act for the benefit of all market participants and investors – rather than for the primary or exclusive benefit of its members.

Finally, as Nasdaq prepares for the prospect of facing yet another new player in a growing field of competitors, Nasdaq notes that any approval by the Commission of the MEMX application would highlight a significant disparity in its regulatory treatment of the incumbent exchanges. Indeed, it would be incongruous for the Commission to freely permit large banks and broker-dealers, which control much of the order flow for equities securities in the United States, and which in many cases own or operate their own alternative trading systems (“ATSEs”), to form a consortium to own and operate a new national securities exchange, without also permitting investor-owned exchanges like Nasdaq to own or operate ATSEs and similar venues on the same terms as do the banks and broker-dealers. If the Commission wishes to broaden the competitive playing field, then it should do so in all directions equally, and not in a way that favors one category of competitors over another one. Nasdaq asks the Commission to consider this issue, not only as it weighs approval of the MEMX application, but going forward as well.

Sincerely,



John Zecca  
Executive Vice President, Chief Legal  
Officer & Chief Regulatory Officer

Cc: The Honorable Jay Clayton, Chairman, SEC  
The Honorable Robert J. Jackson, Jr. Commissioner, SEC  
The Honorable Hester M. Peirce, Commissioner, SEC  
The Honorable Elad L. Roisman, Commissioner, SEC  
The Honorable Allison H. Lee, Commissioner, SEC  
Director Brett Redfearn, Division of Trading and Markets

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addition, MEMX will represent the interests of its founders’ collective client base, comprised of retail and institutional investors on U.S. market structure issues.”).