Elizabeth M. Murphy, Secretary

Securities and Exchange Commission

100 F Street, NE

Washington, D.C. 20549-1090

Dear Ms. Murphy,

Themis Trading appreciates the opportunity to comment on the “Limit Up/Limit Down” (LULD) Proposal. We commend the efforts of the SEC in trying to rectify our conflicted and flawed market structure. Investors of all time horizons must have confidence that our system to exchange capital is fair, orderly, and with safeguards in place, especially in the midst of a “race to zero” in execution speed, be that race in the best interests of the capital raising process or not.

It must not be lost on anyone in our markets that the primary purpose of our stock market(s) is to serve the capital raising process.

The LULD proposal was primarily authored by a consortium of for-profit exchanges. Given that 80% of their revenues come from about 2% of their clients, and given the history of some of those corporations surrounding Flash Orders and Enriched Data Feeds in catering to those 2% clients, it is natural to view their proposal especially closely.

First, we are struck by the complexity of the LULD proposal. The Reference Points are calculated in a complex manner involving moving five-minute arithmetic means, and comparisons with Pro-Forma Reference Points, and 1% checks from prior reference points. We believe it would serve the public to understand the rationale for this complexity.

Second, if the reason for LULD is to enhance confidence among participants and long-term investors, it would seem to us that the bands should be calculated as simply as possible, and should be in effect from markets open to market close. We feel that long term investors would appreciate a simple band calculation (i.e. 5% for Tier 1 Securities) that is in effect from 09:30am EST until 04:00 EST.

Third, we believe it would serve the public to understand why 15 seconds was chosen for the limit state condition, as opposed to 30 seconds, or perhaps 60 seconds.

Lastly, we note that the SIP (Securities Information Processor) is what is used to calculate the reference points, and therefore the bands. We know that SIP data is slower than exchange colocated data. We know that the SEC is aware of this from past commentary. Colocated clients would likely be able to calculate what the bands are/will be before non-colocated clients that are reliant on the SIP. Is there a danger to this? Is it appropriate? In a LULD proposal written by the exchanges, who have very large businesses that rely on their own feeds and colocation providing data faster than the SIP, has the SEC viewed that with as skeptical an eye as we have?

Thank you for allowing us to comment.

Sal Arnuk, Joe Saluzzi, Paul Zajac

Themis Trading LLC