

April 11, 2023

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

Re: Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail regarding CAT Funding Model; File No. 4-698

Dear Ms. Countryman:

DASH Financial Technologies ("DASH") is writing to the U.S. Securities and Exchange Commission (the "Commission") to respectfully reiterate our concerns with the revised funding model (the "Funding Proposal") for the consolidated audit trail ("CAT NMS Plan" or "Plan") based on the proposed amendment submitted to the Commission on March 15, 2023, by CAT LLC¹. Our team's original concerns regarding the operational and competitive burdens this Proposal will cause Broker-Dealers, as well as the industry-wide invoicing inefficiencies this will present, are unchanged.²

Executing Brokers should not be required to act as collection intermediaries for this Regulatory Fee on behalf of Industry Members. This is an unproductive exercise that inordinately burdens Broker-Dealers, especially small to medium-sized firms. There is ample precedent to follow with other Regulatory Fees, such as ORF and OCC, to streamline the workflow and reduce the number of counterparties involved in the payment/collection process. Clearing Firms are best suited to process the collection of fees as it can occur at trade settlement and the cost is ultimately borne by the end beneficiary of each transaction. This seems prudent from a logistical perspective, and introduces the least financial risk to the industry today.

Furthermore, the newly established concept of a "CAT Executing Broker" does not appear to be universally defined or accepted by Option Industry Members or Participants. This alone is not inconceivable, given that options clearing is multi-dimensional and Transaction/Regulatory fees can be attributed through various mechanics. However, it does present a challenge when firms try to assess the impact the "Funding Proposal" will have on their respective businesses.

The Executed Share Model affords the industry with a straightforward rate to be applied across buyers and sellers. The process of charging this rate should take place at settlement, by the ultimate

¹ See Release No. 34-97151 (March 15, 2023), 88 FR 17086 (March 21, 2023) (Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail).

² DASH Financial Technologies Comment Letter January 3, 2023 (Notice of Filing of Amendment to the National Market System Plan Governing the Consolidated Audit Trail regarding CAT Funding Model; File No. 4-698)

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clearing firm, vis-à-vis the Regulatory Fees discussed. This provides the most transparency to the end beneficiary of the transaction and takes advantage of efficiencies already in place today.

In conclusion, we strongly object to the suggested mechanics of the proposed amendment and believe the impact this proposal will have on Executing Brokers will cause significant strain on an otherwise effective process in place today. DASH suggests that the industry consider the structure already in place for Regulatory Fees and the effectiveness of the payment mechanics. Furthermore, DASH welcomes the opportunity to be actively involved in future SRO/Participant conversations and advisory committees on this topic as we believe there has been little meaningful industry collaboration with Executing Brokers thus far.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Miller", written over a white background.

Timothy Miller
Chief Operating Officer
DASH Financial Technologies LLC