



April 18, 2022

VIA ELECTRONIC DELIVERY

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

**Re: Amendments to Exchange Act Rule 3b-16 Regarding the Definition of “Exchange”;
Regulation ATS for ATSS That Trade U.S. Government Securities, NMS Stocks, and
Other Securities; Regulation SCI for ATSS That Trade U.S. Treasury Securities and
Agency Securities (Release No. 34-94062; File No. S7-02-22)**

Dear Ms. Countryman:

Cboe Global Markets, Inc.¹ (“Cboe”) appreciates the opportunity to comment on the U.S. Securities and Exchange Commission’s (the “Commission”) above-referenced proposal to, among other things, amend Regulation ATS under the Securities Exchange Act of 1934 (the “Exchange Act”) for alternative trading systems (“ATSS”) that trade government securities as defined in Section 3(a)(42) of the Exchange Act. The Commission proposes to eliminate the exemption from compliance with Regulation ATS for an ATS that limits its securities activities to government securities or repurchase and reverse repurchase agreements on government securities, and registers as a broker-dealer or is a bank. Thus, the Commission proposes to require a government securities ATS to publicly file a Form ATS-N, which would require such ATS to disclose information about its operations and ATS-related activities of the ATS operator and provide a process for the Commission to review Form ATS-N filings. The Commission also proposes to apply the fair access rule under Rule 301(b)(5) of Regulation ATS and Regulation Systems Compliance and Integrity (“SCI”) to government securities ATSS that meet certain volume thresholds in U.S. Treasury Securities or in debt securities issued or guaranteed by a U.S. executive agency, as defined in 2 U.S.C. 622(8).²

Cboe understands and fully supports the Commission in its efforts to protect investors and enable Commission oversight, including the surveillance and examination of ATSS, and to

¹ Cboe Global Markets, Inc. is the parent company of Cboe Fixed Income Markets, LLC (“Cboe Fixed Income”). Cboe Fixed Income plans to launch a U.S. Treasuries platform, Cboe’s first cash U.S. Fixed Income product offering, further diversifying and expanding its products, services, and technology offerings into new markets and geographies around the world in the second quarter of 2022, subject to regulatory approvals.

² See SEC Release No. 34-94062 (Jan. 26, 2022), 87 Fed. Reg. 15496 (Mar. 18, 2022).



enhance public transparency and help assure fair and orderly markets. However, Cboe has significant concerns with the time and resources required to implement the proposal and requests sufficient time to implement a final rule.

As written, this proposal will require an ATS that limits its securities activities to government securities or repurchase and reverse repurchase agreements on government securities, and registers as a broker-dealer or is a bank to expend significant costs and resources to implement a final rule, which implementation will require considerable time to complete. If the Commission adopts the proposal, Cboe requests a reasonable effective date to provide such ATSs with sufficient time to implement the final rule efficiently and effectively. The creation and implementation of policies, procedures, and systems to comply with the public disclosure and Regulation SCI requirements will take time, resources, and staff to complete. Because this is a substantial undertaking, Cboe respectfully requests that the Commission set an effective date for the final rule no earlier than 365 days from its issuance. Such timeframe will allow Cboe, as well as the industry, time to budget for, build out, and test its systems and controls to comply with a final rule. Finally, Cboe has focused its comments on the portion of the proposed rulemaking explicitly intended to apply to U.S. Treasury securities. To the extent the rulemaking was designed to cover a broader range of asset classes, Cboe believes a more robust analysis and discussion would be warranted.

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Cboe appreciates the Commission's consideration of these comments and would be pleased to discuss them in greater detail. If you have any questions or require any additional information, please contact the undersigned at [REDACTED].

Respectfully submitted,

/s/ Scot J. Halvorsen

Scot J. Halvorsen
Associate General Counsel