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May 6, 2015

Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0609

Re: Exchange Act Release No. 34-74581; File No. S7-05-15; Request for Extension of Public Comment Period

Dear Mr. Fields:

The FIA Principal Traders Group (“FIA PTG”)¹ respectfully requests that the Securities and Exchange Commission (“SEC” or “Commission”) extend the public comment deadline on the above-referenced proposal to amend Rule 15b9-1 under the Securities and Exchange Act of 1934 (“SEC Proposal”).² The SEC Proposal would require many broker-dealers who are active in the off-exchange market to become members of a National Securities Association (i.e., FINRA).³ The public comment period for the SEC Proposal presently ends on June 1, 2015. FIA PTG values the opportunity to evaluate and respond to the detailed questions posed in the SEC Proposal, particularly the questions related to potential costs of FINRA membership.

The SEC Proposal, if adopted by the Commission, would likely require a significant number of FIA PTG member firms and other proprietary trading broker-dealers to become FINRA members. The evaluation of these costs merit careful analysis and thoughtful consideration.

As recognized by the Commission in the SEC Proposal, under current FINRA rules, FINRA membership would be costly to most proprietary trading firms. We understand that FINRA is working to mitigate some of these costs and to modify some of its rules and processes to make

¹ FIA PTG is an association of more than 20 firms that trade their own capital on exchanges in futures, options and equities markets worldwide. FIA PTG members engage in manual, automated, and hybrid methods of trading, and they are active in a wide variety of asset classes, including equities, fixed income, foreign exchange and commodities. FIA PTG member firms serve as a critical source of liquidity, allowing those who use the markets, including individual investors, to manage their risks and invest effectively. FIA PTG advocates for open access to markets, transparency, and data-driven policy.

² Securities Exchange Release No. 74581 (March 25, 2015), 80 FR 18035 (April 2, 2015).

³ We note that at this time FINRA is the only National Securities Association registered with the Commission.

them better suited for firms without customers. For example, on April 16, 2015, the FINRA Board of Directors authorized FINRA to issue a Regulatory Notice requesting comment on proposed amendments to the Trading Activity Fee (“TAF”) assessed pursuant to FINRA’s By-Laws.⁴ We also anticipate that FINRA may take other actions to adapt their rules and processes for firms without customers.

This adjustment to TAF and other potential changes could represent a significant change in the cost structure for FINRA membership for proprietary trading firms and may significantly change the perspective of FIA PTG in commenting on the SEC Proposal. To put this in perspective, the proposed change to TAF fees alone could potentially reduce the total costs associated with the proposed rule by 90% or more. It will be very difficult for commenters to provide a meaningful discussion of the costs of the SEC Proposal until FINRA has provided its guidance.

Accordingly, the public comment period should be extended to afford consideration of the forthcoming initiatives from FINRA. The extension should provide the public with no less than 30 days to comment following the announcement by FINRA of any relevant rule changes.

We appreciate the opportunity to comment on the SEC Proposal and the consideration of our request for an extension of time. If you have any questions, or if we can provide further information, please do not hesitate to contact Mary Ann Burns (██████████).

Respectfully,

FIA Principal Traders Group



Mary Ann Burns
Chief Operating Officer
FIA

cc: Mary Jo White, Chair
Luis A. Aguilar, Commissioner
Daniel M. Gallagher, Commissioner
Kara M. Stein, Commissioner
Michael S. Piwowar, Commissioner
Stephen Luparello, Director, Division of Trading & Markets

⁴ See Section 1(b) Schedule A to FINRA By-Laws.