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Securities and Exchange Commission,

In regards to the Transaction Fee Pilot for NMS Stocks that has been proposed, I would like to offer a few comments as an academic researcher who has been studying equity markets for over 20 years. First, and most importantly, let me congratulate the Commission for its willingness to tackle the make-take fee structure. The Commission's carefully crafted release states the concerns driving a need for more understanding quite well on page 13. In particular, attention to how the fee structures have served to induce a "proliferation of new exchange order types (and new exchanges) designed solely to take advantage of pricing models" is well placed.

I believe the study is extremely well designed. No design is perfect and every design with differential introductions of effects will be rightly criticized. But this is still an excellent and informative step. It is clear, of course, that there will be push back on details and I want to preemptively defend two items I see as crucial.

First, the materials referencing the pilot often note that it will provide data for the Commission, the public, and market participants. I am not sure where we academics fit in... but academic research on these matters is of vital interest to the public because academics are, to a large degree, unbiased as individuals and the scientific method helps keep us unbiased most certainly as a group. For us, the issues related to data are vital. In particular, in the context of the issues motivating the pilot, the order routing data is especially vital. In the end, it is the behaviors induced into markets that drive the economics of the markets. Thus, I would encourage the Commission not to step away from any planned data requirements (**comment items 54 to 63**). Certainly more data is better, and more access is better. While I am less concerned with access from a technology point of view (how it is stored and disseminated), it is vital that academics have unrestricted access.

Second, there are many references to issues related to the scope of the pilot (**comment items 1-15**). In this respect the Commission has made sensible tradeoffs. Most vital is to include a sufficient proportion of the market rather than isolate a small subset. And it is vital that large and small volume stocks be included and that there be no opt-out provision. In general, the proposed sample magnitudes and distributions are appropriate.

Thank you,

A handwritten signature in black ink that reads "Marc Lipson".