



Adam W. Miller
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July 5, 2018

Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

Re: Transaction Fee Pilot for NMS Stocks, Securities Exchange Act Release No. 82873 (March 14, 2018), 83 FR 13008 (March 26, 2018) (File No. S7-05-18)

Dear Mr. Fields,

We appreciate the opportunity to submit comments to the Securities and Exchange Commission (the "Commission") regarding the Commission's recent proposal under proposed Rule 610T of Regulation NMS to adopt a transaction fee pilot program, which has the stated intention to study the effects that transaction-based fees and rebates, and changes to those fees and rebates, may have on order routing behavior, execution quality, and market quality (the "Transaction Fee Pilot"). We are writing to express our concerns regarding the Transaction Fee Pilot and to request that Knight-Swift Transportation Holdings Inc. (KNX: NYSE) be excluded from the pilot test groups.

If adopted by the Commission as proposed, the Transaction Fee Pilot would have a duration of two years and would divide the National Market System stocks into four groups. The Commission would create three test pilot groups, assigning 1,000 listed stocks to each test pilot group. The fourth group would be the control group, which would be comprised of the remaining 5,200 listed stocks that were not selected for a test pilot group. The test pilot groups would have varying levels of allowable access fees and rebates, while the control group would be subject to the existing regulatory structure.

We understand that the Commission has received comment letters from a number of issuers that are in opposition to implementing the Transaction Fee Pilot, including the comment letter from Elizabeth King, General Counsel and Corporate Secretary, NYSE Group, Inc., dated May 31, 2018. We concur with the concerns and issues raised by Ms. King and encourage the Commission to thoughtfully consider the issues raised by the NYSE. Specifically, we believe that the implementation of the Transaction Fee Pilot would impair market quality and fairness, as follows:

1. As a result of limits on allowable access fees and rebates, issuers assigned to the test groups would experience wider average bid-ask spreads than those in the control group. As such, investor transaction costs would be higher for the test group issuers' stocks, causing the test groups' stocks to be less appealing to investors than stocks in the control group. Additionally, issuers in the test groups would incur higher transaction costs when conducting share repurchase programs or secondary offerings.
2. Artificial disparity would exist between a test group issuer's stock price and a control group issuer's stock price, which would affect how an issuer's financial performance is evaluated and perceived.



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3. The test groups would together represent approximately 37% of listed issuers, which we believe is an excessively large population to entirely bear the negative effects of the Transaction Fee Pilot.
 4. The two-year duration of the Transaction Fee Pilot would skew market competition for an extended, unfair length of time.
 5. National securities exchanges would unfairly be subject to the transaction pricing restrictions, while other market participants would be able to compete free of such restrictions.

Based on the above reasons, if the Transaction Fee Pilot commences despite the comment letters submitted by various issuers in opposition, we request that the Commission excludes Knight-Swift Transportation Holdings Inc. (KNX: NYSE) from all three of the test groups.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam W. Miller'.

Adam W. Miller
Chief Financial Officer and Treasurer
Knight-Swift Transportation Holdings Inc.

CC: Honorable Jay Clayton, Chairman
Honorable Michael S. Piwowar, Commissioner
Honorable Kara M. Stein, Commissioner
Honorable Robert J. Jackson, Jr., Commissioner
Honorable Hester M. Peirce, Commissioner
Brett Redfearn, Director, Division of Trading and Markets