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[redacted]

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Mr. Brent J. Fields, Secretary,
Securities and Exchange Commission
100 F Street, NE,
Washington, DC 20549-1090

Re: Proposed Rule: Disclosure of Order Handling Information (Release No. 34-78309; File No. S7-14-16)

Dear Mr. Fields and Others Whom It May Concern:

Thank you for the opportunity to comment on the proposed Securities and Exchange Commission ("SEC") rule named above regarding amendments to Rules 600 and 606 of Regulation NMS. The regulation's requirement of further disclosure by brokers to both institutional and retail customers is of interest to me as both a student studying market structure and as a retail investor. I appreciate you considering my thoughts on the regulation which I believe will prove valuable given my knowledge of market microstructure obtained as a student in the "Trading & Markets" class of Robert Battalio, Professor of Finance at the University of Notre Dame's Mendoza College of Business.

I wholly support the SEC's attempt to mitigate broker-agency concerns and address potential conflicts of interest especially concerning the routing of retail orders. While current standards exist to uphold broker duty of best execution, the requirement of additional disclosures would bring about tangible statistics by which to judge execution quality, as well as confer greater ability upon clients to judge the services of potential brokers before contracting for their use. Given current payment for order flow arrangements, profit-sharing relationships, and transaction rebates between brokers and certain venues, it is more than likely that certain uninformed clients have received lesser quality of service at the expense of brokers looking for personal gain.

Nevertheless, the proposed regulation does not extend to the realm where it is most needed: investor education. Although attempts to protect the retail investor are laudable, these new metrics to evaluate brokers will not produce the intended effects of increasing competition amongst brokers and assuring best execution duties unless investors are educated on the interpretation of these data points. Instead, these disclosures may serve the unintended effect of further obfuscating client evaluation as brokers attempt to overwhelm and misinform clients under the guise of improving transparency. Furthermore, in the midst of such confusion it is possible that the metrics will guide clients to focus on one metric: price, and to brokers who seemingly perform best based on this characteristic. However, it must be made clear to clients that the best price does not guarantee the best execution. For example, one may foresee a situation where an order is routed to a venue that has the best price at one instant, but because the order will be executed slowly, the true price will prove inferior upon execution.

As such, it is recommended that the SEC supplement this proposal with efforts to educate clients regarding market structure so that its efforts to reduce broker conflicts of interest may produce their fullest effect. I appreciate the opportunity to provide these comments and hope they will be found helpful.

Regards,

David Harvan
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