

January 5, 2024

**By Email**

Vanessa A. Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 205499-1090  
[rule-comments@sec.gov](mailto:rule-comments@sec.gov)

**Re: 17 CFR Parts 232 and 240 [Release No. 34-98766; File No. S7-18-23] RIN 3235-AN29  
Volume-Based Exchange Transaction Pricing for NMS Stocks**

Ms. Countryman:

Thank you for the opportunity to comment on the SEC's Proposed Rule entitled Volume-Based Exchange Transaction Pricing for NMS Stocks. As a household investor, I implore you to eliminate monthly rebate tiers as they're antithetical efficient free markets and disincentivize true price discovery in favor of routing orders that receive the most payment for order flow (PFOF).

Specifically, I stand in agreement with Citi's view on this matter that they eloquently expressed via their comment letter from March 31, 2023 on page 6:

"We view exchange tiers as anti-competitive in that they require significant scale to effectively offer the most competitive cost. Tiers can discourage innovation by not rewarding superior routing strategies and techniques, and can make it more difficult for smaller brokers and new entrants to the market who might lack scale. This can discourage market-making activity from smaller brokers who will have higher costs than larger wholesale market makers, and as such may be unable to provide the level of price improvement to retail orders that larger wholesale market makers can. All of this leads to a less competitive market, in our view."

I strongly feel that we currently stand at a crossroads as to what our economic future holds — and that we have a golden opportunity to support free markets and true price discovery by dismantling PFOF altogether — and if that level of reform is not possible at this time, even an incremental change of eliminating monthly rebate tiers would be a step in the right direction.

Thanks for your consideration.

Sincerely,



Scott C. Samels  
(Small Business Owner and Individual Contributor, Compass Group)