



December 16, 2021

Vanessa A. Countryman
Office of the Corporate Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090
Rule-comments@sec.gov

Re: File Number S7-19-21 - Electronic Recordkeeping Requirements for Broker-Dealers, Security-Based Swap Dealers, and Major Security-Based Swap Participants (the “**Proposal**”)¹

Dear Ms. Countryman:

ICE Bonds Securities Corporation (“**ICE Bonds**”) appreciates the opportunity to respond to the Proposal of the Securities and Exchange Commission (“**SEC**” or the “**Commission**”) to modernize the requirements of electronic recordkeeping applicable to broker-dealers, security-based swap dealers and major security-based swap participants.

By way of background, ICE Bonds is a broker-dealer registered with the SEC under the Securities Exchange Act of 1934 (“**Exchange Act**”), is a member of Financial Industry Regulatory Authority (“**FINRA**”) and the Municipal Securities Rulemaking Board, and is registered with the National Futures Association as an introducing broker pursuant to the provisions of the Commodity Exchange Act. ICE Bonds is the operator of three (3) alternative trading systems (ICE BondPoint, ICE Credit Trade and ICE TMC) for the trading of fixed income products, including corporate, municipal, and U.S. Treasury and agency securities. ICE Bonds offers market participants access to electronic markets that support multiple fixed income trading protocols, including click-to-trade, request-for-quote, and auctions, including portfolio auctions.

ICE Bonds supports the Commission’s efforts to modernize the broker-dealer electronic recordkeeping rules by making them both technology neutral and flexible. ICE Bonds further supports the proposed elimination of the third-party access and undertaking requirements, particularly where a broker-dealer can demonstrate its ability to provide regulators² with timely access to requested records. In the Proposal, the Commission proposes to replace the Paragraph (f)(3)(vii) third-party access requirement with a requirement that a senior officer of the broker-dealer provide the records and execute the Paragraph (f)(3)(vii) undertakings.³ ICE Bonds

¹ Electronic Recordkeeping Requirements for Broker-Dealers, Security-Based Swap Dealers, and Major Security-Based Swap Participants, Exchange Act Release No. 34-93614 (Nov. 18, 2021), 86 FR 68,300 (Dec. 1, 2021).

² See Proposal at 68,310 where the term *regulators* includes “the Commission, the broker-dealer’s SRO(s), and state securities regulators having jurisdiction over the broker-dealer”.

³ See Proposal at 68,310.



generally supports this approach, but recommends that the senior officer alternative be modified as discussed below.

First, the requirement that the senior officer be able to “access and provide the records without having to rely on other individuals at the firm”⁴ is unnecessarily restrictive and not practical. Depending on the nature and scope of the records request it is more than likely that the senior officer will be required to work with his/her database and/or information technology professionals in order to run queries, and to download and transfer the records/data into a reasonably usable electronic format. ICE Bonds does not believe that the senior officer must be a database/technology expert to fulfill the obligations reflected in the undertakings. It should be sufficient that the senior officer is empowered with sufficient authority to direct others within the broker-dealer to access and provide the records. To the extent that the senior officer has executed and provided the undertakings to the Commission, it should not matter what steps the senior officer takes to provide the requested records to regulators.

Second, many broker-dealers are subsidiaries of larger organizations and in these cases the information technology infrastructure is shared and centralized within the larger organization. In such instances, it may not be the case that the best person to execute the undertakings is a senior officer of the broker-dealer, but instead may be an officer of the parent company of the broker-dealer (e.g. Chief Technology Officer of the parent entity). ICE Bonds recommends that the Commission consider whether it is appropriate in some circumstances that the undertaking be executed by a senior officer that is affiliated with the broker-dealer, as opposed to associated with the broker-dealer.

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We hope these comments are constructive to the SEC as it considers further changes to recordkeeping rules applicable to broker-dealers. To the extent the Commission has any questions relating to this letter please feel free to contact us, as we would appreciate the opportunity to speak with the Commission about these issues.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Laorno', with a stylized flourish at the end.

Robert Laorno
General Counsel
ICE Bonds Securities Corporation

⁴ See Proposal at 68,311.