



March 23, 2015

Via Electronic Mail (rule-comments@sec.gov)

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090
Attention: Brent Fields, Secretary

Re: BATS Adjustment and Nullification of Transactions (BATS 2014-067)

Dear Mr. Fields:

Aplomb Strategies Inc. appreciates the opportunity to comment on the approved BATS rule change with regards to the adjustment and nullifications of option transactions. We further applaud and support the industry's measured efforts towards harmonization of this requirement across all of the option exchange facilities. As witnessed in August 2013, the industry suffered significant negative impact to investor confidence driven in large part by precisely this kind of exchange rule heterogamy.

If the BATS rule filing (BATS 2014-067) ultimately serves as the "template" for the other exchange venues then significant progress towards harmonization will have been achieved. However, we would be remiss if we did not additionally request that the following issues also be considered before this process completes by the target of May 2015:

1. **Verifiable Disruptions or Malfunctions of Exchange Systems Missing:** We agree with the rationale of including the amended language for Significant Market Events, it follows then that the BATS rule should also include "Verifiable Disruptions or Malfunctions of Exchange Systems" language such is currently found in the existing CBOE Rule 6.25(a)(3¹), in the case of a single exchange systems outage.
2. **Complex Orders Missing:** Approximately 25% of retail orders are entered as options tied to stock. Although BATS trades both option and stocks, it does not currently have complex order functionality and thus did not include language covering complex orders. This makes the BATS rule filing problematic if it is to serve as a "template" for other exchanges since it is incomplete.

In addition to addressing the short comings noted above, especially if the BATS rule will serve as the "template" for the other exchanges, we also request the Commission provide specific clarity with regards to the handling of Intermarket Sweep Orders.

¹ **Verifiable Disruptions or Malfunctions of Exchange Systems:** Electronic or open outcry transactions arising out of a "verifiable disruption or malfunction" in the use or operation of any Exchange automated quotation, dissemination, execution, or communication system will either be nullified or adjusted by Trading Officials. Transactions that qualify for price adjustment will be adjusted to Theoretical Price, as defined in paragraph (a)(1) above.



Aplomb Strategies appreciates the opportunity to comment on this matter. Thank you very much for your consideration to this request.

Very truly yours,

Joanna Fields
Principal
Aplomb Strategies Inc.

