



Bernardo Santiago
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1101 Brickell Ave
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The Honorable Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

February 26, 2018

Re: Notice of Filing and Immediate Effectiveness of the Twenty Second Charges Amendment to the Second Restatement of the CTA Plan and the Thirteenth Charges Amendment to the Restated CQ Plan (Release No. 34-82071; File No. SR-CTA/CQ-2017-04)

Dear Mr. Fields:

S4 Market Data appreciates the opportunity to comment on the above-referenced Notice of Filing and Immediate Effectiveness of the amendments to the CTA Plan and the CQ Plan. S4 Market Data strongly supports the clarity and consistency it provides on how fees are to be applied and submit this comment letter in response to the comment letter filed by Bloomberg L.P. attaching Bloomberg's motion to stay the amendment.

S4 Market Data is a consulting firm servicing the financial information services industry, with special focus on Market and Reference data. A primary function of S4 Market Data is to introduce data consumers to market data management best practices. S4 Market Data was founded to assist firms in providing structure to their market data programs and verify that their data use is in compliance with the policies of exchanges and data providers in multiple countries.

Under Section 11A of the Exchange Act, exchanges must make market data available at fair, reasonable, and non-discriminatory rates. The amendment to the CTA Plan and CQ Plan that Bloomberg is seeking to stay serves this exact purpose. CTA defines Non Display use as the use of market data other than in support of its display or distribution.

Some examples of Non Display activities would be the following:

- Any trading in any asset class
- Automated order or quote generation and/or order pegging
- Price referencing for algorithmic trading
- Price referencing for smart order routing



- Operations control programs
- Investment analysis
- Order verification
- Surveillance programs
- Risk management
- Compliance
- Portfolio Valuation

I've worked in the market data industry for over 15 years at asset management firms, investment banks, hedge funds and broker dealers. In particular I have worked for firms that have used Bloomberg SAPI product that Bloomberg references in its comment letter. I have also discussed with other companies their usage of Bloomberg SAPI. Non Display fees should apply to similarly situated services and therefore should apply to Bloomberg SAPI as well in order to create a level playing field for all market data vendors.

The Bloomberg SAPI allow subscribers, if they choose, to perform these activities in other systems using the data which the SAPI provides them. The Bloomberg Server API is the license required for third party providers and client's in-house applications to source data via Bloomberg. Subscribers can access the same real-time market data, historical data, premium reference data and calculation tools with the Bloomberg Professional service (<https://www.bbhub.io/solutions/sites/8/2015/09/Fact-Sheet-Server-API-SAPI.pdf>). A Standard SAPI license covers streaming requests up to 5000 unique securities per month, up to 1.5 million static requests per day and permits the subscriber to feed the data received in up to 3 applications at a fee of \$5,485/month. A Premium SAPI license covers streaming requests up to 10,000 unique securities per month, up to 3 million static requests per day and permits the subscriber to feed the data received in up to 6 applications at a fee of \$10,970/month.

I have seen the Bloomberg SAPI used by subscribers to make CTA data available to Bloomberg Professional subscribers in third party providers applications as well as client's in-house applications for the purpose of using the data to perform Non Display activities. I was responsible for eliminating this practice at one of my former employers. This is fairly standard practice throughout the industry and the primary purpose for which I have seen subscribers purchase Bloomberg SAPI licenses.

S4 Market Data believes this is a clarification that is critically needed in order to level the playing field for vendors distributing US equity exchange data. Please do not hesitate to contact me at [REDACTED] or phone [REDACTED] to discuss this further.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Bernardo Santiago', written in a cursive style.

Bernardo Santiago
CEO
S4 Market Data