



U.S. COMMODITY FUTURES TRADING COMMISSION

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**Office of the
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**Bart Chilton
Commissioner
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October 25, 2011

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: Proposed Rule Change to Update Rule 6121 (Trading Halts Due to Extraordinary Market Volatility) and Amend Rule 6440 (Trading and Quotation Halt in OTC Equity Securities), Rel. No. 34-65430, File No. SR-FINRA-2011-054

Dear Ms. Murphy,

I write with respect to the Securities Exchange Commission's request for comment on whether "some provision [should] be made to end the regular trading session if a market decline suddenly occurs after 3:25 p.m. but does not reach the 20% level" and "[i]n the event of a Level 3 Market Decline, should the markets wait for the primary market to reopen trading in a particular security on the next trading day before trading in that security resumes?"

I have strong reservations regarding the proposal on market-wide circuit breakers. Under the proposed rule, after 3:25 p.m. ET, Level I (7%) and Level II (13%) circuit breakers will not be employed. In essence, this means that only if a Level III (20%) circuit breaker is triggered, no circuit breaker will be triggered after that period. Irrespective of the unlikely nature of such an event, if such a scenario were to occur it would be tremendously chaotic and could also have the pronounced effect of endangering market infrastructure. This leads me to question whether the proposed rule adequately promotes the goal of investor protection and appropriately addresses potentially destabilizing market volatility.

Moreover, I am apprehensive of the interaction of market-wide circuit breakers and single stock circuit breakers (which are applicable to ETFs) in a macro-market event. This interaction is likely to generate substantial uncertainty, risk management difficulties, and would cause liquidity providers to leave the market when they are needed the most.

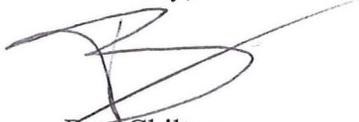
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Presently, the securities exchanges do not implement single-security or any type of market-wide circuit breakers during after-hours trading sessions. The proposed regulation does not offer any form of circuit breakers for after-hours trading. If a Level III Market Decline took place under the current and proposed rule, no after-hours trading would take place and only until the next trading day will trading be allowed to continue. Short of some type of Level III circuit breaker, trading may resume.

Accordingly, I believe it would be well-advised for the securities exchanges to consider a suitable limit structure during after-hours trading.

Sincerely,



Bart Chilton