



December 1, 2016

Secretary Brent J. Fields
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: File No. SR-NYSEAcra-2016-101

Dear Mr. Fields:

Thank you for the opportunity to comment on the proposed rule change by NYSE Acra, Inc., relating to the listing and trading of shares of the SolidX Bitcoin Trust.

The Cato Institute is a public policy research organization dedicated to the principles of individual liberty, limited government, free markets, and peace. Its scholars and analysts conduct independent, nonpartisan research on a wide range of policy issues. In order to maintain its independence, the Cato Institute accepts no government funding. Cato receives approximately 80 percent of its funding through tax-deductible contributions from individuals. The remainder of its support comes from foundations, corporations, and the sale of books and publications.

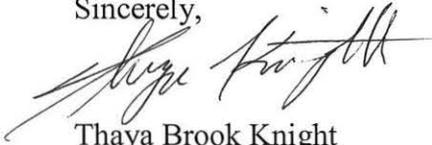
As the Commission is aware, bitcoin and other innovations known as “cryptocurrencies” have risen from philosophical experiments to novel forces within the world’s economy. Among the many new cryptocurrencies, bitcoin has become the established leader. Since its creation in 2008 the price of one bitcoin has increased from \$0.08 to approximately \$730. Many investors may be interested in gaining exposure to bitcoin but may lack the expertise and technology to store their bitcoin securely. An ETF would efficiently allocate the cost of transferring and storing the bitcoin, allowing investors to have the benefits of ownership while sharing the risk of loss through hacking or other technological failures.

Furthermore, to the extent that the SEC believes the federal securities regulatory regime promotes investor protection, it should welcome the introduction of products like the proposed ETF and any other that offer similar features. By offering bitcoin exposure through a publicly traded security, an ETF like SolidX Bitcoin Trust would provide investors with the same protections they receive when buying any other publicly traded security. In addition to whatever

protection the federal law provides, investors would also benefit from diversifying their portfolio through the addition of the leading cryptocurrency.

I believe that approving the rule change would ultimately promote investor protection, and would therefore forward the mission of the SEC. I hope that the Commission will consider the opportunity that the proposed ETF and other similar funds would present for investors. Thank you again for your attention to these comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thaya Brook Knight', with a stylized flourish extending to the right.

Thaya Brook Knight

Associate Director, Financial Regulation Studies