

July 5, 2017

Via e-mail: rule-comments@sec.gov

Brent Fields, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Comments on File No. SR-NYSE Arca-2017-06

Mr. Secretary,

I am writing in support of the proposed rule change by the NYSE Arca to list and trade shares of the Bitcoin Investment Trust (the "BIT") under NYSE Arca Equities Rule 8.201.

As an investor, author, regulator, and public servant, I have been involved in the development of the securities markets for over fifty years. I began my career on Wall Street at Carter, Berlind & Weill, which eventually became Shearson Loeb Rhoades through a series of mergers. Later, I served as the Chairman of the American Stock Exchange and eventually served as Chairman of the New York City Economic Development Corporation. I served as Chairman of the U.S. Securities & Exchange Commission from 1993 through 2001 before rejoining the private sector. In recent years, I have taken advisory roles to various boards including American International Group, Promontory Financial, Knight Capital Group, Bitpay, Mirror, PeerIQ, SoFi, and Blockchain, and have joined the boards of Bloomberg LP and Motif Investing.

My career has placed me squarely at the intersection of policy and financial regulation. I am committed to effective regulation of U.S. markets in order to create and promote trust, certainty and stability. My view is that open, free markets were and always will be the best way to promote shared prosperity, so long as those markets are transparent and well-protected against fraud and abuse. For this to occur, we have always needed regulations and regulators. I have always been supportive of a regulatory environment that promoted transparency, protections of the investing public and well-functioning capital markets.

In recent years I have worked with a number of firms in the digital currency space, including bitcoin. It continues to be my belief that comprehensive regulation of these markets is likely to create broader public acceptance.

The challenge in any form of prudential regulation – which is the system created by multiple regulatory schemes and agencies – is this: How quickly does it respond to failures in the market system? When there is a bad actor committing fraud, do traditional regulatory agencies and actors catch it in time? The sad truth is that they lag. Other efforts to close that gap have proven wanting. Self-regulation doesn't always work in some cases but litigation presents a powerful disincentive to fraud, while not always leading to broad compliance.

Bitcoin is exciting because of the ability for anyone, anywhere in the world to view and research the public ledger of all Bitcoin transactions. As more transactions become digital, the kind of transparency enabled by the blockchain has the potential to amplify the market's ability to self-correct bad acts and inefficiencies.

In short, the Bitcoin economy is an open and organic system for correction and fraud detection.

In addition to its potential benefits, there is robust interest in bitcoin as an investable asset from the investment community, spanning individuals and institutions. As such, I believe at this stage a Bitcoin ETF, such as the Bitcoin Investment Trust, is worthy of support, particularly as the Bitcoin economy continues to grow and take shape. I have always enjoyed seeing new markets succeed, particularly one that I believe could help foster a new regulatory model to protect investors, maintain efficient markets, and facilitate capital formation in innovative, transparent, and traceable ways.

Today, the SEC has before it the ability to provide investors with access to Bitcoin through a regulated investment vehicle. I view this as a similar opportunity to the approval and introduction of the SPDR Gold ETF (symbol: GLD) in 2004, when for the first time, investors could add regulated exposure to gold into their portfolios. Similarly, approving the Bitcoin Investment Trust (symbol: GBTC), which already has hundreds of millions of dollars in assets under management, will give investors a regulated exchange-traded product that will track the bitcoin price more effectively. The Bitcoin Investment Trust has a strong operational track record, but should be held to the even higher standard that accompanies ETF listings on the NYSE Arca.

I thank the Commission for the opportunity to comment on this proposed rule change.

Regards,

A handwritten signature in black ink, appearing to read 'Arthur Levitt', written in a cursive style.

Arthur Levitt