



June 10, 2019

Brent J. Fields  
Secretary  
Securities and Exchange Commission  
100 F St, N.E.  
Washington, DC 20549-1090

**Re: File No. SR-NYSEArca-2019-01: Proposal to List and Trade Shares of the Bitwise Bitcoin ETF Trust Under NYSE Arca Rule 8.201-E**

The Blockchain Association (the “Association”) submits this letter in response to the request for public comment by the Securities and Exchange Commission (“Commission”) regarding a proposal by NYSE Arca, Inc. (“NYSE Arca” or “the Exchange”). The Exchange proposes to list and trade shares of the Bitwise Bitcoin ETF Trust under NYSE Arca Rule 8.201-E. Without opining on the merits of any particular Bitcoin ETF proposal, the Association believes that a Bitcoin ETF would enhance protection for all investors, and therefore should be approved by the Commission.

**About the Blockchain Association.** The Blockchain Association is a Section 501(c)(6) of the Internal Revenue Code trade association for projects, exchanges, investors, traders, and other participants in the open blockchain industry. The mission of the Association is to improve the public policy environment in order for the open blockchain ecosystem to thrive by working with federal regulators and Congress to educate them about the technology, offering solutions to public policy issues, and working hand-in-hand with policymakers to move regulatory and legislative solutions forward.

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**A Bitcoin ETF Would Enhance Protection for all Investors**

Bitcoin (and certain other cryptocurrencies) has developed a unique market structure. Today, users and investors are required to evaluate a broad range of options before choosing where to transact, buy, hold, store, and exchange bitcoin and other cryptocurrencies. For example, publicly available information reveals that there are currently at least 400 exchanges around the world that trade bitcoin, with a daily reported volume commonly (albeit incorrectly, according to certain reports) reported to be in the billions of dollars.

While there are a number of reputable spot trading platforms for bitcoin and other cryptocurrencies,<sup>1</sup> a number of which are members of the Association, many of these platforms operate in different jurisdictions with different business models and different legal and compliance environments. The need to analyze and choose among the many available platforms can be confusing and challenging to traditional institutional and retail investors.

While users should continue to have the freedom of choice to pick their desired means for participating in the Bitcoin ecosystem, a Bitcoin ETF would offer the opportunity to invest in Bitcoin through a regulated, transparent, publicly available vehicle that could be purchased by investors through their normal means of accessing the capital markets (e.g., through brokerage accounts), and would provide the robust disclosures that they are accustomed to and that are required by the federal securities laws.

United States investors deserve the freedom to choose to invest in a product that offers such transparency, disclosure, and security. We therefore support the approval of a Bitcoin ETF because it will give investors this freedom of choice.

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The Blockchain Association deeply appreciates the opportunity to submit our views in response to the Commission's request for comment and would be pleased to discuss these comments in greater detail. Please contact Kristin Smith ( [REDACTED] ) if you have any questions regarding the comments in this submission.

Sincerely,

Kristin Smith

CC: Jay Clayton, Chairman  
Robert Jackson, Jr., Commissioner  
Hester M. Peirce, Commissioner  
Elad L. Roisman, Commissioner  
Brett Redfearn, Director, Division of Trading and Markets  
Dalia Blass, Director, Division of Investment Management  
William Hinman, Director, Division of Corporate Finance

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<sup>1</sup> See Exhibit 3, pp 81, Item 1:  
<https://www.sec.gov/comments/sr-nysearca-2019-01/smysearca201901-5461982-184967.pdf>