

February 27, 2020

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-7010

Re: Release Nos. 34-87906; File No. 4-757 Proposed Order Directing the Exchanges and the Financial Industry Regulatory Authority (FINRA) to Submit a New National Market System (NMS) Plan Regarding Consolidated Equity Market Data

Dear Ms. Countryman:

Refinitiv welcomes the opportunity to comment on the Proposed Order Directing the Exchanges and the Financial Industry Regulatory Authority (FINRA) to Submit a New National Market System (NMS) Plan Regarding Consolidated Equity Market Data. Refinitiv respectfully submits the below comments.

Refinitiv is a leading source of intelligent information for businesses and professionals. We combine industry expertise with innovative technology to deliver key information to leading decision makers in the financial market. As the world's leading provider of market data, we provide real-time and historical data from more than 250 exchanges and hundreds of over-the-counter markets and price contributors covering 14 million instruments. These include equities, options, derivatives, fixed income, commodities and energy, and foreign exchange.

As a global vendor of exchange market data, Refinitiv has a unique vantage point, facilitating the distribution of exchange market data to our diverse client base including the key stakeholders in this debate – the buy-side, the sell-side and ultimately, individual investors. In addition to being impacted directly by many of the issues discussed in this filing, we also see firsthand how market data issues affect our clients. In many cases these issues are the same in that the US exchanges treat our data feed clients as vendors, subject to the same distribution fees and administrative burdens.

Additionally, we have been at the table of the CTA/UTP committees for several years via Kerry Baker-Relf who holds a seat on the Advisory Committee. Although we have appreciated our ability to work with other members of the Advisory Committee to provide input and advice to the Operating Committee, we are often frustrated by the lack of action taken by the Committees in response to that advice.

Consolidation of the Three Plans into One

Refinitiv believes that significant efficiencies could be gained by reducing the administrative and compliance complexities that market participants must bear in the current structure when managing exchange market data. One straightforward way to reduce these complexities is to reduce the three plans that govern the SIP data into one.

From Refinitiv's perspective, there is no reason for the three distinctive plans to exist. Even though the SIP administrators have made efforts recently to harmonize the policies between the CTA/CQ and UTP, there are many discrepancies that still exist. Additionally, there are two different sets of staffs to deal with, two sets of contracts, two set of reporting requirements, and two separate audit teams to manage. Combining the two administrators along with their policies and staffs would significantly decrease the administrative burden that vendors and consumers experience. To name a few of the efficiencies we believe would be produced by combining the SIPs include aligned policies for unit of count, non-display, and non-professional definitions, in addition to many others. Additionally, invoices and reporting would be consolidated into one.

Beyond the administrative burdens mentioned above, there are technical inefficiencies that exist because vendors are required to work with two different processors of the consolidated data. Vendors such as Refinitiv must manage two different sets of specifications and work with two different sets of technical support teams at the exchanges. There also are costs associated with connecting to two different processors included telecom lines as well as port fees.

An Independent Administrator

Refinitiv also whole-heartedly supports the SEC's recommendation to separate the administrators from the exchanges so that they are managed by an independent party. In the current structure, the exchanges that are developing and managing proprietary products are the same exchanges that act as administrators to the SIP.. Refinitiv believes that management of these data streams by an independent party would eliminate any potential conflict of interest and allow the administrator to focus efforts on improved technology and reduced latency.

Voting Structure

Refinitiv supports the SEC's recommendation to limit the voting power of "exchange groups" and believes the plan to give them two votes would limit their ability to control the vote. Independent exchanges would then receive one vote which should encourage the creation of new and innovative exchanges that will stir beneficial changes to the markets.

Additionally, Refinitiv strongly supports the SEC's recommendation to give voting authority to the Advisory Committee. Giving a representative from significant market segments such as data vendors and broker dealers would give the broader industry a say in how the consolidate tape is managed.

The weighting of votes recommended in the SEC's proposed rule seems fair. Giving the broader market a third of the vote would give the market adequate voice in the business of SIP data distribution.

The other significant change that the SEC recommended that would provide a large benefit to the market is the elimination of the need for unanimous approval. Being party to the CTA/CQ and UTP Committees via the Advisory

Committee, we have seen numerous changes through the years that have been blocked by the requirement for unanimous approval, including changes that would have reduced fees.

Use of Executive Session

The decisions made by the SIP Operating Committees have far-reaching impact on the industry and should be subject to discussion with Advisory Committee members. The only legitimate use of Executive Sessions is the discussion of non-compliance by industry members and legal issues since there would be an inherent conflict of interest with including Advisory Committee members in such discussions. It is appropriate for the exchanges to hold executive sessions (sessions that only include exchanges) but only in limited situations and the agenda should be published and approved in advance.

Conflicts of Interest & Confidentiality

The new plan should include a comprehensive conflict of interest and confidentiality policy that applies equally to all members of the Operating Committee (exchanges & advisors). Refinitiv separately has commented on the two filings that are dedicated specifically to these topics.

Conclusion

Refinitiv appreciates the opportunity to comment on these issues that are so integral to our industry. We fully support the submission of this proposed filing because we believe it will significantly improve the health of our industry and all the market to take concrete, reasonable action to improve administrative, operational and fee-setting processes associated with market data and market access. Please do not hesitate to contact me at Sherry.Madera@refinitiv.com to discuss this further.

Respectfully,



Sherry Madera
Chief Industry & Government Affairs Officer