



November 15, 2019

To: SIP Operating Committees
Via Odd Lots Proposal Comments at oddlotcomments@forefrontcomms.com

Re: Odd Lots Proposal

ACS Execution Services, LLC ("ACS")¹ is pleased to have the opportunity to comment on the proposal by the Securities Information Processor ("SIP") Operating Committees to disseminate certain consolidated odd lot quotation data on the SIP data feeds.

The proposal raises important issues relating to the information that market participants, including ACS and other similarly situated broker-dealers, have at their disposal when making investment decisions. As discussed further below, we support inclusion of odd lot quotes in the SIP and believe that this is another important step in increasing the transparency of market information available to investors and the markets in general.

Our specific comments follow.

The Proposal Would Improve Publicly Available Market Information

The increase in odd lot activity in the U.S. equity markets has been well documented and its impact has been debated recently in a number of forums. ACS agrees that given the higher levels of odd lot activity, there should be a corresponding increase in the transparency of publicly available odd lot data.

The proposal therefore is a valuable step in achieving this goal. We agree with the proposal that adding odd lot data to the "core data" provided through the SIP may provide market participants with important additional information about the price and liquidity of NMS stocks, and may be valuable for retail investors that trade in smaller share amounts, particularly in higher-priced securities.

While not completely addressing concerns relating to the costs of market data, we also believe that inclusion of odd lot data in the SIP may help alleviate some of the concerns

¹ ACS Execution Services, LLC is a registered broker-dealer and FINRA member that provides execution services to other broker-dealers through a platform designed by its affiliate Global Liquidity Partners. Global Liquidity Partners is a technology company providing Electronic Execution Technology driven by a highly efficient proprietary architecture. GLP's trading platform is built on a low latency chassis and combines speed and a state-of-the-art decision engine designed to source liquidity while minimizing information leakage. For further information on GLP, visit <https://globalliquiditypartners.com>.

surrounding such costs and the need to pay exchanges for their proprietary market data feeds.

Given the changes in market structure over recent years, ACS also believes that there should be a consideration of other changes to facilitate additional transparency of odd lot orders and associated market data, such as reducing the round lot size for higher-priced securities. We therefore would encourage, and support, a broader discussion of these issues, as well as associated issues around the use of odd lots in general.

Impact on Best Execution and Market Structure Generally

The proposal states that odd lot information on the SIP will be provided for informational purposes only and will not in any way change Regulation NMS or Regulation NMS obligations, *i.e.*, round lot quotes will continue to be the “protected” quotes and odd lot quotes will not be protected in any way.

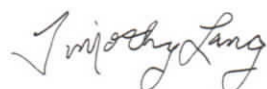
As we discussed in a previous letter,² given a broker-dealer’s obligation to obtain best execution, it is important that any changes to the information provided in the SIP (and the NBBO) take into account the impact on other trading rules and concepts, such as best execution. Broker-dealers such as ACS must (and should) take into account all relevant and available information to provide effective trading services to their clients and to meet best execution obligations. Inclusion of odd lot data in the SIP will assist broker-dealers in these efforts. Nevertheless, we continue to believe that there should be a broader examination of best execution in light of the market structure changes that have been made and the increased transparency of market information that is now available.

Conclusion

We offer our assistance to the SIP Operating Committees as these issues continue to be examined. If you have any questions on our letter, please feel free to contact me directly at

[REDACTED]

Sincerely,



Tim Lang
Chief Executive Officer

² See Letter from Tim Lang, Chief Executive Officer, ACS, to Vanessa Countryman, Secretary, SEC (File No. SR-CboeEDGA-2019-012), dated October 21, 2019.