

STA Open Call – April 23, 2018 – Call Notes¹**SEC Roundtable on Thinly Traded Securities & Proposed Access fee pilot.****Presenter: Doug Clark, ITG Head of Americas Market Structure****Opening Remarks & Material – Jim Toes, STA**

STA Foundation April 10 Symposium on Equity Mkt Structure [report](#) & [photos](#)
W&J [report](#) on April 9th SEC Fixed Income Mkt Structure Advisory Committee
U.S. Department of Treasury Capital Markets Oct 2017 [report](#)
STA Lighthouse [Article](#): “Tick Size Pilot: What would Thomas Edison do?”
Comment [letters](#) on SEC April 23rd Roundtables.

Summary Remarks***Thinly Traded Securities Roundtables***

*In his April 10 speech SEC Chairman Jay Clayton cited a U.S. Dept of Treasury report when announcing his three (3) primary initiatives for equity market structure; one being improving market structure for, “Thinly Traded Securities”. The Chairman stated the Commission will host Roundtable discussions as a means to solicit input. The April 23rd Roundtable was the first and its main agenda item was the impact of suspending unlisted trading privileges, or UTP for a stock that would allow it to trade on a smaller number of venues. Opinions on such an approach varied from opposition; a preference for reforming Reg NMS instead; support and support but with no off-exchange trading.

In addition to UTP, other items suggested improvements for thinly traded securities included: modernizing attributes used in the past to trade these types of securities like: not having automated quotes and adding attribution.

*Opinions for improving trading thinly traded exchange-traded products, or ETPs included: allowing for greater flexibility on creation/redemption sizes; direct payments to market makers from issuers; suspending UTP.

SEC Access Fee Pilot

*March 2018 the SEC voted and approve a proposal to conduct a Transaction Fee Pilot for NMS Securities. Aka, access fee pilot. A link to the actual filing is here.

*Early industry reactions include concerns on the number of securities in the pilot and unique impacts for ETPs.

*Deadline for comments is May 16th.

¹ This brief is meant for informational purposes only and therefore should not be considered legal advice. STA’s goal is to raise awareness on industry developments and encourage dialogue.