



Optiver US LLC
130 E. Randolph St., Suite 1300
Chicago, IL 60601
312-821-9500
312-821-9910 fax
www.optiver.com

August 24, 2020

Via Electronic Submission

Christopher Kirkpatrick
Secretary of the Commission
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Electronic Trading Risk Principles (RIN 3038-AF04)

Dear Mr. Kirkpatrick:

Optiver US LLC (“**Optiver**” or “**we**”) is a member of The Futures Industry Association (the “**FIA**”) and the FIA Principal Traders Group (“**PTG**”), and fully supports the comment letter provided by the FIA and the PTG (the “**FIA Comment Letter**”) to the Commodity Futures Trading Commission’s (“**Commission**”) proposed “Electronic Trading Risk Principles” (the “**Proposal**”). We respectfully submit this supplemental comment letter to provide additional background and support for the FIA Comment Letter. We support principles-based regulation for electronic trading that permits designated contract markets (“**DCMs**”) to design and implement controls reasonably designed to address risks presented by electronic trading.

We agree that DCMs are best positioned to act as “gatekeeper and overseer of electronic trading platforms”¹. Each DCM has a unique technology stack on which its platform is built. Each market participant has its own trading technology, either licensed from a vendor or proprietary, on which it interacts with DCMs’ platforms. Rigid, one-sized-fits-all requirements are unlikely to achieve the Proposal’s objective of preventing, detecting and mitigating market disruptions that result from electronic trading. Given the sophistication, variety and ever-changing technological landscapes that support markets, DCMs must be afforded latitude to develop rules and risk controls reasonably designed to mitigate risks associated with electronic trading.

We are confident that DCMs and market participants will continue to develop sophisticated tools to address evolving risks presented by electronic trading. The Proposal appropriately accords DCMs necessary flexibility to implement appropriate controls tailored to its particular technology that support prudent risk management by market participants. By aligning interests of DCMs and market participants, we anticipate that the Proposal, if finalized, will encourage collaboration among participants to contribute to the development of pre-trade controls to mitigate evolving risks and impacts.

¹ See FIA Comment Letter, p. 3.



We appreciate this opportunity to reinforce our support for the FIA Comment Letter and provide further comment on the Proposal. Please contact Liam Smith, Head of Corporate Strategy, at 312-821-9500 if you have any questions about this letter.

Respectfully Submitted,

David Shafer
General Counsel
Optiver US LLC

cc: Honorable Heath P. Tarbert, Chairman
Honorable Brian Quintenz, Commissioner
Honorable Rostin Benham, Commissioner
Honorable Dan Berkovitz, Commissioner

Dorothy D. DeWitt, Director, Division of Market Oversight