



March 18, 2019

Cboe Global Markets customers,

In last week's [letter](#) to the industry, I noted that Cboe was working on a rule filing related to retail priority. I am pleased to report that today Cboe submitted this rule filing to the SEC. We believe this proposal will serve to benefit millions of individual investors by introducing enhanced order book priority for their orders.

Today, approximately 43 million U.S. households hold a retirement or brokerage account and these individual investors rely on our nation's equities markets to fund important life goals. It is therefore critical that our U.S. equities markets continue to evolve to serve this vital need of the investing public.

Our proposal would provide execution priority to retail limit orders on the Cboe EDGX Exchange (EDGX), meaning that the priority for orders on EDGX would be price/display/retail/time. This change is designed to encourage markets that benefit individual investors, while facilitating order interaction and price discovery, consistent with the SEC's goals of facilitating the long-term interest of individual investors.

We expect retail priority to benefit the marketplace in the following ways:

- Provide superior execution quality to retail investors by increasing both the likelihood and speed with which retail investors' non-marketable orders are executed;
- Encourage retail brokers, and/or those handling retail-attested orders, to route additional non-marketable retail order flow to EDGX, which may broaden execution opportunities for other market participants;
- Diversify the order flow market participants can interact with on EDGX, increasing order participation and contributing to more robust price formation.

One of our top priorities at Cboe is bringing forth new ideas that add value to this ever-evolving market, like this retail priority proposal, and to help define markets that will serve all investors.

You can learn more about our retail priority rule filing [here](#).

Sincerely,

A handwritten signature in black ink, appearing to read 'Bryan Harkins'.

Bryan Harkins
Executive Vice President, Co-Head Markets
Cboe Global Markets