

Dear Public Comment Review Committee,

I am writing to express my strong opposition to the proposed Rule S7-06-22 regarding derivatives holders being granted voting rights. As a concerned retail investor, I firmly believe that implementing such a rule would have detrimental effects on the integrity of shareholder voting and investor protection. Allow me to outline my concerns below:

1. **Dilution of Shareholder Rights:** Granting voting rights to derivatives holders would dilute the fundamental principle of one share, one vote. This principle ensures that voting power is commensurate with economic interest and aligns with the shareholders' actual ownership in the company. Allowing derivatives holders to vote without having an actual stake in the underlying securities would undermine this essential principle.

2. **Disproportionate Influence of Speculators:** Derivatives holders often engage in speculative trading strategies, seeking short-term gains without a genuine long-term interest in the company's performance or strategic direction. Granting them voting rights would disproportionately empower these speculators, who could potentially manipulate the voting process to further their short-term objectives, disregarding the long-term interests of genuine shareholders.

3. **Complexity and Lack of Accountability:** Derivatives can be highly complex financial instruments, often held by institutional investors or hedge funds. Granting them voting rights could introduce significant complexity to the voting process, potentially leading to confusion and complications in determining the true voting power. Moreover, holding derivatives does not require the same level of disclosure as holding shares, making it difficult to ensure transparency and accountability in the voting process.

4. Potential for Market Instability: Derivatives are primarily used for risk management and hedging purposes, not as a vehicle for corporate governance. Allowing derivatives holders to influence corporate decisions through voting rights could introduce additional volatility and uncertainty into the market, as their motives and actions may not align with the long-term stability and growth of the company.

Given these concerns, I strongly urge you to reconsider the proposed Rule S7-06-22 and preserve the existing principles of shareholder voting. Protecting the rights of genuine shareholders, promoting transparency, and ensuring a fair and accountable voting process are essential for a well-functioning capital market.

Thank you for your attention to this matter. I trust that you will carefully consider the concerns raised by various stakeholders and act in the best interests of all investors.