

To The Securities and Exchange Commission,

I am writing to offer some essential considerations regarding the Proposed Rule (S7-06-22) recently introduced by the Securities and Exchange Commission (SEC), which focuses on the modernization of beneficial ownership reporting.

First and foremost, it is essential to acknowledge appreciation for the SEC's initiative to update the reporting requirements for prominent investment positions and improve market transparency. Transparency and fairness are fundamental principles underpinning our financial markets, ensuring the integrity and trust vital for sustainable economic growth.

While I acknowledge the SEC's proposal to reduce the reporting window from 10 to 5 calendar days for disclosing ownership positions exceeding 5% of outstanding shares, I urge the Commission to proceed. A reporting deadline of two (2) business days would be more appropriate and effective in achieving the desired objectives.

A shorter reporting window would significantly reduce the opportunity for investors to accumulate prominent stock positions secretly, trading on information advantages unavailable to the broader market. The proposed rule would level the playing field and enhance market efficiency by minimizing information asymmetry. I strongly support this intention and encourage the SEC to take decisive action by adopting a two-business-day reporting requirement.

Furthermore, it is crucial to include holders of cash-settled equity swaps in the definition of beneficial ownership to ensure fairness and transparency. Doing this can provide a more accurate understanding of who has a significant stake in a company. This inclusion helps us identify individuals or entities with considerable influence or control over a company's decisions, despite not owning the shares outright.

In today's financial markets, derivative instruments like these play a significant role in shaping ownership positions. For instance, if a hedge fund or a large corporation secretly holds a substantial stake in a company without disclosing it to the public, this lack of transparency creates an unfair advantage, allowing them to manipulate the stock market and potentially deceive other investors. So by including these agreements when determining who owns at least 5% of a company, we can shine a light on these hidden positions. This action becomes significant when we consider the threat posed by unscrupulous actors who exploit the system for personal gain, undermining the integrity of the stock market. So by bringing these secret holdings to light, we can expose any attempts to deceive, cheat, or steal money from the market.

In summary, incorporating holders of cash-settled equity swaps into the definition of beneficial ownership promotes fairness and transparency. It safeguards against the risk of bad actors using privileged positions to exploit and deceive others, ultimately protecting the integrity of the stock market and ensuring a more equitable environment for all investors.

To avoid confusion, the rule must clarify that including cash-settled equity swaps does not transfer voting rights or investment powers to the swap instrument. This clarification would ensure that the disclosure requirements align with the actual decision-making and control exercised by the investor, maintaining clarity for market participants. By clarifying this

distinction, we maintain transparency and prevent misunderstanding or misrepresentation of an investor's influence over a company. Market participants need to have a precise understanding of who holds voting rights and has decision-making powers to make informed decisions and properly assess the dynamics of a company's ownership structure.

In simpler terms, I want to ensure that the rule clearly states that including cash-settled equity swaps in beneficial ownership doesn't give these instruments the ability to control or make decisions for the company. This clarification helps market participants understand the true power and decision-making authority held by investors, ensuring transparency and preventing any misinterpretation of their level of control.

Moreover, I believe the Proposed Rule should address the issue of short-position reporting. While the focus is rightly placed on long-position disclosures, enhancing transparency in short positions is equally essential. I urge the SEC to consider revisions to Rule 13f-2 to establish consistent and comprehensive reporting requirements for long and short positions.

In conclusion, we appreciate the SEC's efforts to modernize beneficial ownership reporting, but we firmly believe that further improvements are necessary to protect investors' interests and maintain market integrity. By adopting a two-business-day reporting window, expanding the definition of beneficial ownership to include cash-settled equity swaps, and addressing short position reporting, the Commission can establish a robust regulatory framework that promotes fairness, transparency, and trust in our financial markets.

Thank you for considering our comments and suggestions on this crucial rule-making process. I remain committed to supporting the SEC's mission for increased transparency and equality within our market.