



Commentary on Proposal S7-06-22

From a U.S. household investor

July 29, 2023

Dear Commission,

There has been debate over the purpose of this rule. I question the necessity of such dense legalese and the need to understand all the moving parts of other rules. A household investor should never have to spend countless hours interpreting so many rules to understand the risks involved with their trades. This makes the modern day market feel more like a casino than an investment. These verbose rules create loopholes that are abused. This is evident with the continued tolerance of FTDs. Market participants too often can evade the spirit of the rules and penalties are often a small fraction of revenues. Enforcement is lacking all-round. The CFTC chooses to hide swaps data from the rest of the market. The system works, but for whom? Not the household investor.

I don't believe derivatives holders should be conferred the right to vote as shareholders can. Derivatives holders don't have the same stake as a conventional long does. The DTC has already proven to be unfit for their role. Over-voting and empty-voting should not be commonplace in the present era. The SRO ideology has failed spectacularly.

Sincerely yours,

Jon Auberg