/Treveri Capital LLC

December 22, 2021

Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File Number S7-18-21: Reporting of Securities Loans (the "Securities Lending Proposal")

To SEC,

As Chair Gary Gensler mentioned Dec 9th, the SEC needs to stay true to its purpose.[1] Investor protection with transparency is essential. Although transparency requires a certain amount of regulation and compliance, there becomes a point that the compliance involved is overburdened and in fact detrimental to investors.

The commission should be looking for ways to keep US markets transparent but at the same time reduce regulatory compliance burdens on broker dealers. In this day and age of technology, the Commission should ultimately be looking for ways of reducing compliance instead of creating more compliance.

Burdens on broker dealers end up being higher costs which end up being passed on to the customer. This indirectly will be with lower lending rates which affect funds that lend out.

The commission purposes 15 minute increments of submissions. Why not end of day submission? These intra data submissions will be easily manipulated by traders. Get short, then flip back long? Is this intraday data really necessary for investors or lenders? How would this data be manipulated for the purpose of market manipulation? Have there been any studies conducted to prevent this market manipulation?

Price efficiencies are already in the markets regardless of lending rate price discovery of stock loans. This proposal only seems like it will create more volatility in the underlining assets with new lending rates coming out quicker. This new volatility isn't necessarily price efficiencies.

The commission also needs to look at the future. Currently centralized finance (CEFI) lends crypto assets and investors make returns. Some of these regulatory requirements will stunt the growth of very early stage CEFI business models. Is there an exemption to these business models or assets? The commission has already mentioned that that these CEFI's will have to register as a broker dealer and or ATS[2]. This proposal is very unclear if it pertains to crypto assets in the future. If it does, the Commission should tread carefully because crypto is very early in the US. Excess regulation can be detrimental to the US being competitive in the global capital markets and with decentralized exchanges (DEX).

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[1] https://www.sec.gov/news/speech/gensler-healthy-markets-association-conference-120921
[2] https://www.nasdaq.com/articles/sec-chairman-gary-gensler%3A-bitcoin-competes-with-the-u.s.-banking-system

The commission should look for ways to reduce compliance and at the same time keep transparency so investors can make sound investment decisions. Excess regulation prohibits the growth of early stage new broker dealers and create new fees which are passed indirectly down to the investors.

Sincerely,

Jeff Martinez

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