30 March 2023

Hello,

Every rule the SEC makes is only as good as how you enforce said rules. I think the SEC needs to fine a lot more since often times the fines are only a small percentage of how much money was made breaking the rule. There should also be a threat of suspending or banning members who break the rules too often.

I would gladly pay 12 cents more a share to avoid being routed through a wholesaler that has been charged over 70 times by the United States government. I would even pay a dolllar more if it meant not being routed (https://files.brokercheck.finra.org/firm/firm_116797.pdf).

I would gladly pay commission to avoid being routed through a wholesaler, especially one with a long record of flouting the law like Citadel Securities.

I fully support the harmonization of tick sizes across all exchanges. I was shocked to learn that some exchanges get special treatment and are able to leverage that special treatment to build monopolies in some areas of the market. All exchanges should have to quote AND trade in the same increments. Some exchanges shouldn’t be granted an unfair advantage over others. It leads to monopolistic control of parts of the market that counteract and eventually kill the positive benefits of competition. The markets are supposed to be fair - so make them fair.

I dislike the presence of rebates and other inducements in the marketplace - they are simply payment for order flow by another name. I would prefer you reduce access fees to zero; no "take".

I support the tick size regime proposed by the Commission, and would also support any structure that is clear and does not rely on vague language. For example, some funds and firms might request language like "has a reasonable amount of liquidity at the NBBO", which translates to "I can ignore the rule if I feel my lawyers can help me get away with it". Loose language makes enforcement difficult or impossible, and wastes taxpayer dollars on needless litigation time. Clear language and a clear and unambiguous tick size rule structure are strongly preferred. Please do not include vague language in the application of your rules.

I support the inclusion of odd lot information in the SIP, and applaud the Commission's efforts to provide individual investors with more information with which to make better investing decisions - especially concerning which firms are allowed to handle our orders. Two years ago, the majority of trades in the markets were odd lots (55%; from https://bettermarkets.org/newsroom/key-highlights-dennis-kellehers-testimony-march-17-house-financial-services-gamestop-hearing/). For certain tickers, this proportion is certainly much higher. Why are the bids and offers of so many orders kept invisible? If the Commission were to remove odd lot information from this rule, my faith in the U.S. markets would become even more damaged than it already is.

I believe the exclusion of odd lots from the NBBO is a problem. Odd lots are now a majority of trades in the markets. Within some stocks, they are the vast majority. The exclusion of odd lots from the price of a stock amounts to the exclusion of most individual investors - most of the voting public. Please look into a way to fairly and proportionately include odd lots in the calculation of the NBBO.

Thank you,

Albert Chan

Household Investor