

Dear Commissioners,

I am writing to provide an update to my previous submission regarding ruling S7-32-10. It's well-known that financial industry participants employ highly skilled professionals and intricate computer systems, intricately linked to numerous official and unofficial exchanges, including cryptocurrency and off-book digital asset swaps. In light of the Reporting Threshold Amount memorandum revealing that the smallest reported swap is \$70 USD, I believe the minimum reporting requirement for any asset or debt-based swap or position should be \$0 USD, or an equivalent in any legal fiat currency.

Daily reporting of all positions should have been mandated by law long ago. Ownership, whether by parent companies or subsidiaries, must not grant exemptions from the obligation to report asset, swap, or debt positions on a daily basis. Companies and their subsidiaries operating within the United States, regardless of regulatory status, should be bound by law to report all positions without exceptions. This applies to both traditional and digital assets. Any position, whether positive or negative in value, should be reported individually, distinguishing long and short positions. This measure prevents circumventing regulations

through subsidiaries or shell companies in questionable offshore jurisdictions.

Changes in position size, whether positive or negative, should be automatically reported by the end of each business day. Given the extent of automation within financial systems, the end-of-day reporting requirement should have been implemented years ago. Concerns about the time needed to process these transactions are unjustified. Cost calculations should factor in automation and the capability of financial institutions' IT departments to incorporate new reporting features. The costs should be considered part of the standard cost of doing business, especially considering the considerable profits amassed by market participants.

The Commission must adopt a zero-tolerance stance towards non-reporting of financial assets, encompassing both traditional and digital categories, irrespective of their value. All positions should be reported separately for each legal entity or owner without exceptions. In line with the efforts to increase transparency and fairness in financial markets, this reporting rule should be unbounded by any threshold and should require reporting at the close of every business day when a position is opened, altered, or closed.

Penalties for violating these rules should be significantly increased – at least tenfold the value of the unreported position per violation. These penalties should be publicly disclosed to foster trust and accountability within the financial system. Additionally, this presents an opportunity for the Commission to offer guidance to other global financial regulators, aiding in the creation of more transparent and equitable markets worldwide.

Thank you for your attention to these critical matters, and for your ongoing efforts in enhancing the integrity and fairness of financial markets not only in the United States but around the world.

P.S. - I will state for the record I am FOR, and AGREE with the proposal put forth. It is imperative that it be passed, and executed immediately. It's been high time since this rule should have been passed, and used to tighten down on malfeasance in the market.