

Comment Letter for File Number S7-32-22 Regulation Best Execution

To whom it may concern:

A broker routing orders first to a wholesaler, who then passes them to the auction, which might route it back to the wholesaler seems unnecessary, but worse is that it also affords the wholesaler a profound advantage against other market participants because they are first to obtain order information.

There are clearly some dominant wholesalers benefiting from an anti-competitive position in the marketplace. I would prefer that the entire market was able to benefit as opposed to these unscrupulous wholesalers, some with a long record of charges demonstrating their disregard for existing rules. Fair competition is paramount, and orders should be in lit markets.

It appears that current fines are not a sufficient deterrent as they amount to nothing more than the cost of doing business. Increase penalties so they act as a significant deterrent, enforce existing rules, and make changes when in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets.

The inducements and incentives underlying PFOF distort order routing and violate the principles and duty of best execution. In doing so, PFOF undermines the fairness, simplicity, and transparency of the markets. I fully support the proposed rule, please implement it as soon as possible.

Sincerely,

Michael Craighill