

January 15, 2024

Frank Schwartz
3239 Highway 71
Cambridge, ID 83610

Secretary, Securities and Exchange Commission
100 F Street NE,
Washington, DC 20549-1090

Subject: Comments on File N. SR-NYSE-2023-09

Dear Secretary and Commissioners,

I am opposed to the proposed rule change. The basis for my opposition is contained in the further comments below. I request that the Commission issue an order disapproving the subject proposed rule change request, in accordance with the procedures under the Securities Exchange Act of 1934. The proposed rule is not consistent with the requirements of the act and would also create conflicts with other federal and state laws, regulations, and authorities.

- The proposed rule for the listing of Natural Asset Companies (NACs) would create a direct conflict with our current laws and regulations regarding the management of our Federal lands, as well as private land in states. Federal Agencies, including the Department of Interior and Department of Agriculture, are responsible for the management and decision-making for our federal lands. The creation of these NACs have a stated purpose of seeking and conducting revenue generation from "ecosystem services." This is to be accomplished in part through prohibition of some multiple uses (such as, fossil fuel development, logging, industrial agriculture or anything they believe (not science) may have an adverse impact on the condition of the natural asset). NACs would use license agreements with the natural asset owners (such as governmental entities or private landowners). Unless the proposed rule adds a prohibition for any NAC agreements with US Federal entities and requires prior approval from states for any NAC on private or federal land, the implementation of NACs would create a direct conflict with our existing federal land management laws and regulations and state authorities. Federal laws include multiple use mandates. Further, those Federal laws and regulations assign the responsibility for management of lands to the federal agency designated by law. Those laws and regulations do not acknowledge or contemplate any further delegation of those responsibilities to NACs. NACs are not authorized for federal land management under our current federal laws and regulations. And there is no mechanism in our federal laws for licensing the management of federal lands to NACs.

- The SEC is not following the National Environmental Policy Act (42 U.S.C 4321) in their quest for establishing this NAC listing standard in this proposed rule change. NEPA requires federal agencies to assess the environmental effects of proposed major federal actions prior to making decisions. SEC's proposed rulemaking is a major federal action, with potential for significant ecological, social, economic, etc. impacts. 40 CFR 1500 – 1508 contain CEQ's NEPA regulations applicable to all federal agencies. A requirement under NEPA law and regulation for a major federal action such as this proposed SEC rule is that NEPA coverage would be provided for (prior to) any decision making. The EIS for this proposed rulemaking action would need to be a broad, programmatic EIS, which would be followed by narrower, project or site specific NEPA analyses for any implementation of any specific NACs that involve federal land or receiving any federal funding. SEC's failure to conduct the required NEPA analysis for this proposed rule is another example of a total disregard for the law. SEC is not exempt from the NEPA law and regulations.
- In the event NACs were to be allowed, a great potential exists for the assets controlled by a NAC to in essence be controlled by foreign entity, since the proposed NACs would be publicly traded, with no restriction on foreign ownership. Our natural assets in the US are in fact a matter of national security, and should not be allowed to be controlled by foreign entities or domestic or foreign groups with radical agendas. We do not want our natural resources and agricultural industries to be controlled by foreign governments or organizations, or subversive domestic groups with agendas that are intent on controlling or destroying our natural resource industries.
- Since the NAC structure provides that benefits may not be easily or legitimately "monetized," there is significant opportunity for gaming the system by this industry. Foreign countries or other extremists can easily gain control over our natural resources and other "assets" through creating and investing in NACs, knowing there will not be any true value added coming from the investment (other than their ability to control land and resources). The smoke and mirrors approach proposed for assigning value to the intangible benefits or products of the NACs is unacceptable. NACs should be held to the same financial standards as other publicly traded stocks. And putting the NYSE and Intrinsic Exchange Group (which was created solely for NACs), which are self-regulating and in charge of defining and determining the adequacy of NACs, including the "Ecological Performance Reports," is putting the fox in charge of the henhouse. This arrangement is a recipe for fraud and abuse and should never be allowed. The NYSE and IEG are only looking at potential revenue for themselves, which they get by virtue of establishing NACs and subsequent trades, regardless of the legitimacy of the NACs.
- The NACs rule also creates an opportunity and potential for foreign ownership and control of private land in the United States. This can put our nations' domestic food, fiber, energy production and natural resource utilization on those lands in the hands of foreign entities, which represents a threat to our national security. This NACs rule also would by-pass any state control and authority over private land ownership.
- NACs could easily be misused to completely destroy economies of countries worldwide, through gaining control of natural assets and eliminating current industries in countries that are based on natural resource utilization. Between the extreme purpose of the NAC charter and many very corrupt government officials across the world, NACs could control natural resources and destroy economies of countries while enriching the corrupt government leaders. The proposed NAC rule is legitimizing the potential for these subversive NACs under the guise of protecting nature. This

proposed NAC rule is politically motivated, and is not consistent with public offerings on the stock exchanges.

- The NAC's proposed rule is more like a sales brochure or propaganda than a federal rule. The document has false statements, opinions, and sensationalizations (such as "overconsumption and underinvestment in nature"), without providing quantification or a scientific basis (or providing limited and only favorable references). If this were a legitimate listing standard, actual factual data would be provided to support the basis for the requested rule change.
- This proposed NAC rule is consistent with other attempts by the Biden administration to destroy our natural resource industries and place control of lands (public and private) in the hands of radical groups under the false pretense of "conservation." It is obvious that this NAC rule sham is linked directly to recent attempts by Federal agencies to create "conservation leases" and to Biden's "30x30" agenda. As noted in comments above, these conservation leases are not authorized by our federal land management laws, so these attempts by federal agencies and the SEC are not legal.
- This proposed rulemaking should provide a full disclosure to the public, including disclosure of the lack of a current legal mechanism for establishing leases on federal lands, particularly on those lands designated by law for multiple use.

The Commission is requested to issue an order disapproving this proposed rule. This proposed rule will have potentially severe negative impacts in the US and worldwide.

Thank you.

Sincerely,



Frank Schwartz