March 24, 2020

VIA EMAIL

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

Re: File No. S7-24-15: Proposed Sales Practice Rules for Leveraged/Inverse Investment Vehicles

Dear Ms. Countryman,

The Securities Industry and Financial Markets Association ("SIFMA")[1] submits this letter to respond to the invitation of the U.S. Securities and Exchange Commission ("Commission") for public comment on the proposed new Rule 15l-2 under the Securities Exchange Act of 1934 (the "Proposed Rule")[2] relating to required due diligence by broker-dealers regarding customers' transactions in certain leveraged/inverse investment vehicles, as set forth in the Commission's Release No. 34-87607 (the "Release").[3]

I. *Executive Summary*

SIFMA and its members appreciate the opportunity to provide comments to the Commission on the Proposed Rule. SIFMA supports the Commission's goals of investor protection and the maintenance of fair, orderly, and efficient markets.

[1] SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

[2] 17 C.F.R. § 240.15l-2.

[3] Use of Derivatives by Registered Investment Companies and Business Development Companies; Required Due Diligence by Broker-Dealers and Registered Investment Advisers Regarding Retail Customers' Transactions in Certain Leveraged/Inverse Investment Vehicles, 85 Fed. Reg. 4446 (Jan. 24, 2020).

SIFMA and its members would like to express their opposition to the adoption of the Proposed Rule. We believe that the Proposed Rule is contrary to public policy and may have a lasting negative effect on the industry and future Commission rulemakings. The scope of the Proposed Rule in solely addressing leveraged/inverse investment vehicles is a departure from long-standing Commission precedent and the foundational principles of our federal securities laws. SIFMA and its members are concerned that engaging in an evaluation of the merits of certain leveraged/inverse products could create a "slippery slope" that may one day encompass other publicly traded products and detrimentally restrict investors' ability to participate in our public capital markets.

Additionally, we do not believe that the Commission has demonstrated a need for the Proposed Rule. The Proposed Rule places novel and enhanced duties on broker-dealers for what we believe will provide little to no benefit to customers, and may on the contrary, reduce retail customer access to risk-mitigating products. Further, in light of recent efforts by the Commission through the adoption of Regulation Best Interest ("Reg. BI")[4] and FINRA Rule 2111, we believe the Proposed Rule would create overlapping and duplicative regulation that may impose significant organizational burdens on firms seeking to comply with already existing requirements and the Proposed Rule. We believe that proposing additional burdens or potential deviations from Reg. BI at this time would be counterintuitive to the work already completed by the Commission and the industry.

If the Commission decides to move forward with the Proposed Rule despite our opposition, SIFMA and its members believe that there are additional opportunities for modification that could reduce unnecessary costs and ease administrative burdens for industry participants while preserving the investor protections sought by the Proposed Rule and ensuring that the Proposed Rule is consistent with prior Commission rulemakings.

II. *Background*

On November 25, 2019, the Commission approved the release of a proposed new rule under the Securities Exchange Act of 1934 (the "Exchange Act") that would govern the sales practices of broker-dealers with respect to certain leveraged/inverse investment vehicles.[5]

The Proposed Rule would require a broker-dealer (or any associated person of the broker-dealer) to exercise due diligence to ascertain certain essential facts about an individual who is a

[4] Regulation Best Interest, 84 Fed. Reg. 33318 (July 12, 2019).

[5] The entities included in the scope of the Proposed Rule would include registered investment companies and certain exchange-listed commodity- or currency-based trusts or funds.

customer[6] before accepting the customer's order to buy or sell shares of a leveraged/inverse investment vehicle or approving the customer's account to engage in those transactions. Affected broker-dealers would be required to maintain written records of customer information obtained under the Proposed Rule's due diligence requirements, the firm's written approval of the customer's account for buying and selling shares of leveraged/inverse investment vehicles, and the firm's policies and procedures adopted under the Proposed Rule that were in place when the firm approved or disapproved the account.

III. *Comments*

1. <u>The Commission should reconsider whether the adoption of the Proposed Rule is appropriate.</u>

SIFMA and its members do not believe that the Proposed Rule is aligned with the Commission's Congressional mandate of disclosure and instead falls within the realm of merit regulation. Additionally, we believe that the Proposed Rule places an added layer of regulation on top of pre-existing suitability requirements and creates an unnecessarily burdensome regime for leveraged/inverse investment vehicles that greatly exceeds the previously understood scope of a broker-dealer's relationship to its customers. On these bases, we request that the Commission reconsider the adoption of the Proposed Rule.

a. The Commission should consider whether disclosure is sufficient to educate investors about the risks of leveraged/inverse investment vehicles.

SIFMA and its members believe that requiring firms to conduct additional due diligence to restrict certain investors from a segment of the public securities markets is at odds with the disclosure-based regime mandated by Congress and adopted by the Commission. Historically, the Commission has achieved its goal of investor protection through risk-based disclosure, with public disclosure of material information being the primary mechanism for federal regulation of the

[6] "Customer" for the purposes of the Proposed Rule means "a customer that is a natural person (or the legal representative of a natural person)." 17 C.F.R. § 240.15l-2.

securities markets.[7] When the Commission approves products for public trading, it is not meant to be based on the merits of the product as an investment.[8]

SIFMA and its members submit that the Commission should reconsider its approach in requiring additional procedures in respect of only certain products and certain investors in the public markets. The treatment of these products by the Proposed Rule diverges from the Commission's mandate of risk-based disclosure and shifts a heavy compliance burden to industry participants. Many firms already provide enhanced disclosure for complex products, some of which include annual affirmations that a customer understands the risks associated with such products and point-of-sale requirements to reaffirm that understanding. However, the Proposed Rule compels industry members to engage in a merit evaluation and due diligence process under the purported sales practices requirements that is burdensome, costly and operationally difficult. The Commission already has a means by which to deny certain products from public listing where they are deemed unfit for the general public; however, the Proposed Rule improperly pushes the Commission's obligation to vet these products onto industry participants.

We ask that the Commission consider whether the Proposed Rule should be adopted in light of the major shift in public policy that it represents. Disclosure and investor education have long been deemed sufficient to provide investors with the information they need to make an educated decision about an investment. Although the Commission has noted that these products may exhibit their own "unique risks,"[9] the same could be said of every investment product, each of which has its own distinct attributes and risks. As with those products, disclosure and investor education can mitigate the risks for investors in leveraged/inverse investment vehicles without imposing as great a burden on broker-dealer firms.

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[7] *See Statement of the Purposes of the Securities and Exchange Commission, Accomplishments up to August 13, 1934, and Future Program* (Aug. 13, 1934), http://3197d6d14b5f19f2f440-5e13d29c4c016cf96cbbfd197c579b45.r81.cf1.rackcdn.com/collection/papers/1930/1934_08_13_Statement_of_Purp.pdf; David S. Ruder, Chairman, *The Evolution of Disclosure Regulation by the Securities and Exchange Commission*, (Mar. 10, 1988), https://www.sec.gov/news/speech/1988/031088ruder.pdf; Hester M. Peirce and Elad L. Roisman, Comm'rs, *Statement on the Re-Proposal to Regulate Funds' Use of Derivatives as Well as Certain Sales Practices*, (Nov. 26, 2019), https://www.sec.gov/news/public-statement/roisman-peirce-statement-funds-derivatives-sales-practices.

[8] "[The Commission] does not evaluate the merits of securities offerings, or determine whether the securities offered are 'good' investments or appropriate for a particular type of investor." https://www.sec.gov/page/federal-securities-laws?auHash=B8gdTzu6DrpJNvsGlS1-JY1LnXDZQqS-JgJAgaSXimg.

[9] Release at 4457.

b. The Proposed Rule is a solution in search of a problem.

The Commission does not clearly indicate that there is a problem to be solved by the Proposed Rule. In the Release, the Commission cites only generally to the notion that these products are complex and may involve "unique risks" and therefore require additional due diligence processes.[10] SIFMA and its members do not believe that the Commission has laid out a convincing case for the adoption of the Proposed Rule.

By the Commission's own admission, literature cited in favor of the Proposed Rule "does not address retail investor's inattention to investment risk or the unique dynamics of compounding of daily returns in the context of leveraged/inverse ETFs or other leveraged/inverse investment vehicles, but studies investor inattention to financial products more generally."[11] The same logic cited for the Proposed Rule could apply to virtually all financial products, so it is inappropriate here to single out leveraged/inverse investment vehicles.

The Commission's reliance on FINRA's options account requirements creates a false comparison between options and leveraged/inverse investment vehicles. The due diligence requirements in the Proposed Rule are purported to be based on FINRA Rule 2360, but the adoption of the FINRA options rules was supported by the need to address manipulation and other malfeasance in the options markets.[12] There is no indication of a similar problem with respect to leveraged/inverse investment vehicles.

The application of the Proposed Rule to these products is unfounded, particularly where there are other products, including common shares of corporate stock, available with greater volatility than many leveraged/inverse investment vehicles that do not require an additional due diligence process.[13]

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[10] Release at 4522.

[11] Release at 4522, n. 535. *See* Annamaria Lusardi & Olivia S. Mitchell, *The Economic Importance of Financial Literacy: Theory and Evidence*, 52 J. OF ECON. LITERATURE 5 (2014), https://www.aeaweb.org/articles?id=10.1257/jel.52.1.5.

[12] *See, e.g.*, *Report of the Special Study of the Options Markets to the Securities and Exchange Commission* (Dec. 22, 1978), https://ufdc.ufl.edu/AA00023995/00001.

[13] *See* Letter from James J. Angel, Ph.D., CFP®, CFA to U.S. Sec. & Exch. Comm'n (Feb. 24, 2020) at 4, https://www.sec.gov/comments/s7-24-15/s72415-6856131-210491.pdf ("A 3x leveraged product has a volatility of around 45%, which is easily within the range of typical common stocks. For comparison, note that Tesla has a volatility of 62%, Teva Pharmaceuticals 69%, and Twitter, 52%.").

c. The Proposed Rule will limit retail customer access to important risk-mitigating products and could have a market-wide impact.

The regulatory burden placed on broker-dealers effecting transactions in leveraged/inverse investment vehicles may limit access to these products even where a retail customer otherwise passes the Proposed Rule's enhanced due diligence process. The steep costs associated with the enhanced due diligence process could lead to certain broker-dealers no longer supporting this asset class. This could have a significant adverse effect on liquidity for these products, which would have an impact not only on retail customers but also on the market for this asset class as a whole.

Further, the lack of access to leveraged/inverse investment vehicles, whether because fewer broker-dealers will support them or because a customer has not passed the enhanced due diligence process provided for by the Proposed Rule, may push retail customers to riskier products to which they may still have access, such as derivatives, that may not have a regulatory framework with Commission oversight. Retail customers seeking to mitigate risk who had previously used leveraged/inverse investment vehicles to do so will be left without a simple alternative.

The Proposed Rule has the potential to harm retail customers and the market for leveraged/inverse investment vehicles, rather than help them. Restricting access to a segment of the market that allows retail customers to manage their exposure to risk will only preclude them from mitigating that risk or compel them into even riskier alternatives.

d. The Proposed Rule is unnecessary and duplicative of Reg. BI and FINRA Rule 2111.

SIFMA and its members request that the Commission consider whether the Proposed Rule is necessary or appropriate in light of Reg. BI and FINRA Rule 2111. The Commission has stated that "compliance with the proposed rules would not supplant or by itself satisfy other broker-dealer or investment adviser obligations, such as a broker-dealer's obligations under Regulation Best Interest or an investment adviser's fiduciary duty under the Advisers Act."[14] However, there is a direct overlap between the Proposed Rule and Reg. BI and FINRA Rule 2111. Reg. BI and FINRA Rule 2111 already require broker-dealers to conduct a suitability analysis for retail customers when the broker-dealer makes a recommendation. We believe that further due diligence where Reg. BI and FINRA Rule 2111 apply would be redundant and unnecessary.

When a retail customer receives a recommendation, broker-dealers must already consider whether the recommendation is suitable and in the customer's best interests pursuant to FINRA

[14] Release at 4493.

Rule 2111 and Reg. BI. SIFMA and its members believe that an additional layer of due diligence on those customers who already receive recommendations is unwarranted and would create confusion as to the due diligence responsibilities of broker-dealers. Firms are already required to obtain the facts such that they can form a reasonable basis that a customer recommendation is suitable for that customer.[15] The imposition of the Proposed Rule under these circumstances provides no added protective benefit for investors but may subject industry members to significant costs.

The Proposed Rule would also apply where a customer engages in unsolicited transactions or other circumstances where no recommendation has been made. The application of the Proposed Rule to these activities is contrary to the previously-understood scope of a broker-dealer's relationship with a customer. Not only does it restrict customer autonomy, but it also expands the scope of a broker-dealer's duties to its customers to a significant extent and creates heavy operational burdens and increased costs for broker-dealers (as discussed further in Section 2.a. below) for little to no added benefit for customers.

e. The Proposed Rule will require firms to collect and analyze a significant amount of customer data not otherwise required by Commission rules.

The application of the Proposed Rule to unsolicited transactions is unprecedented. The Proposed Rule requires firms to create new protocols and supervisory regimes to collect and analyze additional profiling data for a discrete group of products not otherwise required by Commission or FINRA rules. The Proposed Rule's due diligence requirement applies to a wider variety of transactions and accounts than current Commission recordkeeping requirements. Other recordkeeping frameworks developed by the Commission and relevant SROs, with the exception of the FINRA options framework, only apply a similar level of information gathering upon a recommendation.[16] The Proposed Rule will lead to firms having to make suitability determinations for accounts subjected to a broader range of activity, which will significantly increase firms' recordkeeping and supervisory obligations.

Firms will be required to collect and maintain new types of information under the Proposed Rule. Proposed Rule Sections 15l-2(b)(2)(v)-(vii) require that firms acquire new data points in order to conduct the required due diligence.[17] These additional requirements could particularly

[15] *See* FINRA Rule 2111; *see also* 17 C.F.R. § 240.15l-1.
[16] *See id.*; *see also* 17 C.F.R. § 240.17a-3(a)(35).
[17] 17 C.F.R. 240.15l-2(b)(2)(v)-(vii) require firms to obtain customer information regarding: "(v) Estimated liquid net worth (cash, liquid securities, other); (vi) Percentage of the customer's estimated liquid net worth that he or she intends to invest in leveraged/inverse investment vehicles; and (vii) Investment experience and knowledge (*e.g.*,

affect firms who use standardized suitability or haircut methodologies; the Proposed Rule could require a complete overhaul of many firms' current methodologies. The Commission should consider the significant additional burdens this new recordkeeping requirement would impose, especially with regard to firms using standardized methodologies whose operations would be impacted when considering whether the Proposed Rule is necessary.

2. If adopted, the Commission should consider whether the Proposed Rule would benefit from certain modifications.

SIFMA and its members strongly oppose the adoption of the Proposed Rule. However, if the Commission adopts the Proposed Rule in spite of our opposition and the sound policy and other objections against the Proposed Rule, we suggest the following changes and request that the Commission clarify certain aspects of the Proposed Rule.

a. The Proposed Rule should not apply where a broker-dealer has not made a "recommendation."

If the Proposed Rule is adopted, we request that the Proposed Rule not apply to self-directed accounts or accounts otherwise engaged in an unsolicited transaction of leveraged/inverse investment vehicles. The application of the Proposed Rule to all such accounts is not only unprecedented, but also would require significant additional due diligence and supervisory processes beyond the scope of what broker-dealers must now conduct.

The Proposed Rule's due diligence requirement is triggered prior to accepting an order to buy or sell a leveraged/inverse product.[18] This is inconsistent with prior Commission and FINRA rulemakings, which apply only upon making a "recommendation"; FINRA Rule 2111, Exchange Act Rule 17a-3(a)(17) and Reg. BI (and its accompanying recordkeeping requirement under Exchange Act Rule 17a-3(a)(35)) only come into effect when a broker-dealer provides a customer with a recommendation.[19] The Proposed Rule would apply even where no recommendation is made by a broker-dealer. This has important operational implications that SIFMA and its members believe will cause hardship for many firms seeking to comply with the Proposed Rule.

Much of the information required under the Proposed Rule is not required to open a brokerage account. Customers may not provide firms with information regarding what instruments they intend to trade upon account opening. Where a firm does not otherwise have the requirement

number of years, size, frequency and type of transactions) regarding leveraged/inverse investment vehicles, options, stocks and bonds, commodities, and other financial instruments."

[18] *See* 17 C.F.R. § 240.15l-2(a).

[19] *See* 17 C.F.R. § 240.15l-1; 17 C.F.R. § 240.17a-3(a)(35); *see also* FINRA Rule 2111.

to acquire information relevant to the customer due diligence requirement, such as self-directed accounts, the Proposed Rule will require firms to obtain information with respect to all such accounts.

The broad application of the Proposed Rule's account approval requirement even to accounts that otherwise would not require a suitability analysis conflicts with the customary understanding of when a firm must conduct a customer suitability analysis. Firms will have to conduct a suitability analysis for more accounts and also keep more information. The Proposed Rule will also change the time at which firms need to conduct their suitability analysis. These changes will require firms to modify their operations significantly in order to comply with the Proposed Rule.

Imposition of the Proposed Rule will lead to firms having to make systems changes to block transactions in leveraged/inverse investment vehicles where customer accounts are not approved for such activities. Where this level of due diligence is not conducted upon account opening, it will require a second due diligence process to approve the customer for leveraged/inverse products. In order to comply with the Proposed Rule, firms would have to institute measures to block these accounts from trading in these products until the firm can acquire the requisite information. This will add layers of complexity and processing for the customer and firm alike that will cost firms significant time and resources to implement correctly.

To that effect, the Proposed Rule will create an ongoing burden for firms to update their systems for new leveraged/inverse products and relevant CUSIP numbers when they come to market in order to block those transactions in a specific customer account until and unless the due diligence processes are completed. We submit that this process, among others that the Proposed Rule will require of firms, will be extremely costly for firms, especially in the case of unsolicited transactions, and as a practical matter, there may not be sufficient time to establish such systemic blocks before those products come to market.

b. Certain customers do not require the additional protections of the securities laws as provided in the Proposed Rule.

If the Commission proceeds with the Proposed Rule despite our objection, SIFMA and its members believe that the Commission should exempt certain customer accounts that are advised by financial professionals or have already been trading in leveraged/inverse investment vehicles.

i. Advisory Accounts

SIFMA and its members suggest that advisory accounts in which a client grants investment discretion to a professional money manager should be exempted from the Proposed Rule.

Accounts where a financial professional is making an investment decision on behalf of the customer do not require additional protections or vetting from broker-dealers. The Proposed Rule's application to such accounts is incongruent with the premise behind having an advisory account; people who do not have the capacity or inclination to understand certain products can be advised by a financial professional who does. Further, to include this category of accounts within the scope of the Proposed Rule is inconsistent with the Commission's proposed rule to update the accredited investor standard, which seeks to include certain financial professionals as a new category of accredited investor due to their experience and expertise.[20] Financial professionals are in a position to understand investments in leveraged/inverse investment vehicles and guide their clients in making an investment.

ii. "Grandfathered" Accounts

If a customer already owns or trades in leveraged/inverse products, we do not believe it would be appropriate to restrict their account from trading in those products absent further approval.

First, these individuals may already have significant experience in trading these products. Where customers are capable of understanding the risks of an investment, they should not be barred from participating in such investment.

Second, to prevent these individuals from trading in these products would cause significant logistical difficulties for firms. Firms would have to identify each such account and freeze trading of certain assets.

SIFMA and its members do not believe that the approach taken in the Proposed Rule is appropriate given the alternative measures available that could create a similar result without restricting investors who do not need the level of diligence required under the Proposed Rule. We request that the Commission consider such exceptions or carve-outs that would expand investment opportunities while maintaining the appropriate level of investor protection.

[20] *Id.*

c. The Commission should reconcile and clarify the definitions of "investment experience" in Reg. BI and the Proposed Rule.

The Proposed Rule requires an evaluation of a retail customer's "investment experience." However, the Proposed Rule's definition of "investment experience" differs from already existing experiential due diligence requirements and requires experience in investments that may not relate to leveraged/inverse investment products.

Proposed Rule: investment experience and knowledge (*e.g.*, number of years, size, frequency and type of transactions) regarding leveraged/inverse investment vehicles, options, stocks and bonds, commodities, and other financial instruments.

FINRA Rule 2360: investment experience and knowledge (*e.g.*, number of years, size, frequency and type of transactions) for options, stocks and bonds, commodities, and other financial instruments.

Reg. BI: "retail customer investment profile" reflects a retail customer's age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and any other information the retail customer may disclose to the broker, dealer, or a natural person who is an associated person of a broker or dealer.

First, it is unclear why customers must be capable of understanding a variety of products that may not be relevant to leveraged/inverse investment vehicles in order to transact in leveraged/inverse investment vehicles. It is also unclear what level of experience and knowledge would be considered appropriate to allow a customer to transact in these products.

Further, the additional information required under the Proposed Rule's "investment experience" definition would create logistical complications where firms are already required to collect data and assess a retail customer based on the information in their Reg. BI "investment profile." Having these differing standards creates confusion that will require firms to maintain multiple data sets on a single customer and may lead to difficulties in achieving compliance.

d. The Commission should modify the language of Proposed Rule 15l-2(b)(2)(iv) to align with Exchange Act Rule 17a-3(a)(17).

Certain language used in the Proposed Rule is inconsistent with Exchange Act Rule 17a-3. The Proposed Rule 15l-2(b)(2)(iv) uses "family residence" whereas Exchange Act Rule 17a-3(a)(17)(i)(A) uses "primary residence."[21] SIFMA and its members request that the language of the Proposed Rule comport with Exchange Act Rule 17a-3 to prevent confusion from inconsistent terminology.

e. The Commission should take into account certain circumstances when determining the implementation period for the Proposed Rule.

We believe that the Proposed Rule, if adopted, would create significant budgetary and administrative burdens for firms. If adopted, the implementation period for the Proposed Rule should reflect the amount of time and resources that compliance with the Proposed Rule will require. We request that, if the Commission approves the Proposed Rule, the implementation period be no less than 18 months.

We further request that the compliance date should be timed so as not to disrupt standard industry practice and allow adequate time for firms to prepare for implementation. Many firms plan their budgets and regulatory agendas one year in advance, typically in the first quarter of a given year. As a result, firms have already established budgets and regulatory agendas for 2021 without consideration of the additional requirements of the Proposed Rule.

It would take a significant amount of time and resources to design and implement the technology, policies and procedures to account for the Proposed Rule. There are also significant operational challenges inherent in compliance with the Proposed Rule. Firms must be able to identify the relevant products, modify their trading systems to match each product to approved accounts and similarly adjust for trading functionality. We anticipate that many firms may need to build new systems or modify existing ones to account for the additional requirements of the Proposed Rule. Additionally, firms will need sufficient time to develop and implement education and training programs prior to the compliance date.

Because firms are in the process of implementing compliance with Reg. BI, which has proven for many firms to be a substantial undertaking of time and resources, the Proposed Rule would cause strain on firm compliance budgets and bandwidth. A compliance date for the

[21] We recognize that the Proposed Rule is purported to be modeled after FINRA Rule 2360; however, we believe it would be more appropriate if the Proposed Rule aligned with the Commission's own recordkeeping requirements as set forth in Exchange Act Rule 17a-3.

Proposed Rule that coincides with the early stages of Reg. BI compliance will be a significant obstacle for many firms.

If the Proposed Rule is adopted, we hope that the Commission will take into consideration these circumstances and put forth an implementation period and compliance date that reflect the additional burdens of the Proposed Rule and standard industry practice.

IV. *Conclusion*

SIFMA appreciates the opportunity to comment on the Proposed Rule and the Commission's consideration of our views. We reiterate our strong opposition to the adoption of the Proposed Rule, which we view as a significant and unwarranted departure from the Commission's long-standing precedent and Congressional mandate. We hope that the Commission will continue its efforts to enhance investor protection in a manner that is consistent with the long-held values underlying the federal securities laws.

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SIFMA looks forward to a continuing dialogue with Commission on the Proposed Rule. If you have any questions or would like additional information, please contact Kevin Zambrowicz, Managing Director & Associate General Counsel, SIFMA, at (202) 962-7386 (kzambrowicz@sifma.org), or our counsel, Marlon Paz, Mayer Brown, at (202) 263-3044 (mpaz@mayerbrown.com).

Very truly yours,

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Managing Director &
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Marlon Q. Paz, Mayer Brown