

Just implement Payment VS. Delivery

and the cancellation of all trades not settled in the contracted time of T+3. Simple.

The excuse often used that delivery failures are a result of innocent mistakes or the innocent and legitimate needs of Wall Street firms, etc...should not burden the parties who really are innocent with innocent intentions, namely the investors who pay real money on a timely basis to purchase and retain the securities.

Any burdens caused by mistakes or perceived needs that result in delivery failures of securities should not be born by the truly innocent parties, but by those who fail to deliver, for what ever reason.

The innocent need to be protected by the SEC and their rules and the SEC needs to push back to Wall Streets crocodile tears that if they don't get their way and their exemptions to the securities acts and the will of congress, the market will implode, a new ice age will start and all first born will have to be sacrificed.

Nothing of the sort will happen and the SEC needs to stop listening to the silver tongues of Wall Street.

Fair markets without significant delivery failures in any security works for overseas securities markets, so that is proof that it does work just fine and will only help assemble capital in the US securities markets, with all the follow on benefits to the economy and country.

Cancel the Grandfather clause

Cancel the market maker exemption

Cancel the "belief" test in locating shares

And in their place require that no payment, not even a fraction of the purchase price nor any commissions will be paid, until shares are actually delivered or the trade is automatically canceled after T+3 with all monies returned to the investor.

No exemptions for anyone. Handing out trade advantages via exemptions to the Securities Acts to select firms like hot chocolate in winter is not the SEC's job. Protecting investors is. Remember?