

Scot Heagney, Small-Business Owner, Developer, and Retail Investor – Market Instability

Dear Commissioners:

I build and run businesses, and I invest in the markets. In both roles, I pay attention to what happens when activity is spread across systems that do not work in sync. With tokenized stocks, that question is not theoretical: a token could trade while the underlying stock market is closed, or trade on a venue where there are few buyers and sellers.

In those conditions, the price on a screen may be a poor guide to what the underlying share is worth. A sudden move—or a pause on one platform that does not line up with activity elsewhere—could leave investors unsure whether they can trade, what price is meaningful, or why the token has moved differently from the stock.

The Commission should examine how those gaps will be handled before tokenized trading becomes more established. What should a platform do when liquidity dries up? When should trading pause? How will investors be told that a token's price may not track the underlying share, especially outside regular market hours? And how will trading interruptions be coordinated across venues?

I'm interested in technology that improves markets, but when trading expands beyond the hours and venues investors know, the safeguards need to keep pace. I ask the Commission to address the practical consequences of fragmented liquidity and out-of-sync trading before those problems land on investors to sort out.

Sincerely,

A handwritten signature in black ink, appearing to read 'SH' or 'S+I', written over the printed name.

Scot Heagney, Small-Business Owner, Developer, and Retail Investor