

I am writing to express my opposition/support to the proposed regulation No. S7-01-23, which would create exemptions for securitizers engaging in risk-mitigating hedging activities, bona fide market making, and certain liquidity commitments.

While I recognize the potential benefits of these exemptions, I am concerned that they could be exploited by securitizers to engage in conflicted practices that harm investors in the securitization market. Specifically, I would like to present the following three arguments against the proposed exemptions:

Firstly, the risk-mitigating hedging activities exemption could be used by securitizers to engage in practices that benefit their own interests at the expense of investors in the securitization. This could create conflicts of interest that could undermine the integrity of the market.

Secondly, the bona fide market making exemption could be used as a loophole to engage in conflicted practices such as market manipulation, which could create unfair advantages for securitizers at the expense of investors.

Lastly, the certain liquidity commitments exemption could also be used by securitizers to avoid losses at the expense of investors in the securitization. This could undermine the stability of the market and create conflicts of interest that could harm investors.

Therefore, I urge the Securities and Exchange Commission to carefully consider these potential risks before adopting these exemptions. I believe that it is essential to ensure that any exemptions created are designed to promote transparency and investor protection, rather than provide opportunities for securitizers to engage in conflicted practices.

Thank you for your consideration.