



March 24, 2022

The Honorable Gary Gensler, Chair
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Rule 10b5-1 and Insider Trading [Release No. 33-11013; 34-93782; File No. S7-20-21]

Dear Chair Gensler:

Guzman & Company respectfully objects to the *Rule 10b5-1 and Insider Trading* [Release No. 33-11013; 34-93782; File No. S7-20-21] proposed rule in its current form. We specifically recommend revision to the section regarding the minimum 30-day cooling off period for issuers.

Guzman & Company is a Diversity & Inclusion-owned investment bank and registered broker-dealer founded in 1987 and was the first Hispanic-owned NYSE member firm. The firm has been advising and executing share repurchases for U.S. corporations for over 20 years. Our share repurchase clients span all sectors and all sizes, and we have a deep understanding of the share repurchase market environment as well as the corporate finance mechanics including trading strategy, execution, operations and compliance.

Since the publication of the proposed rule, we have discussed the direct implications with numerous corporate share repurchase participants and stakeholders. We believe a mandatory minimum 30-day cooling off period for issuers under 10b5-1 is unnecessarily unfair to corporate share repurchase programs and the respective company shareholders, while producing negligible benefit to the average investor. The purpose of 10b5-1 share repurchases is to safeguard transactions during black out windows, setting an "autopilot" for issuer to continue repurchases and prevent any influence of non-public information the company may have during that time.

The proposed rule states that the issuer may not trade for 30 days after entering a 10b5-1 plan, during which the company is likely to not be in a blackout window. Prohibiting a company from executing or modifying their repurchase plans when they're not in a blackout window impedes a company from trading at the most efficient and effective times. Restricting the companies at this time may lead to companies executing in a less than desirable manner, even without being in possession of material non-public information, in turn harming their shareholders.

Furthermore, a 30 day period is unnecessarily long, leaving the issuer at an unfair advantage to the market. In a 30 day period, there can be massive swings in an issuers stock price, fundamental changes to the market environment, and greatly different macro-economics conditions. The 30 day cooling off period does not allow a company react to the changing market landscape and unfairly prohibits them from being a fair market participant.

Additionally, there is no clear benefit to the implementation of this rule. There are little to no reported instance of abuses that would be rectified from this type of rule change.

We appreciate the opportunity to provide these comments and look forward to continuing to contribute constructively to the Commission's deliberation on these important questions.

Sincerely,

Guzman & Company



Leopoldo Guzman
Chairman & CEO