

I completely support the new rule that requires orders to go to a public auction before being filled by Citadel or any other middleman. This is a crucial step towards ensuring fair competition and transparency in the market.

Payment for Order Flow (PFOF) has been banned in the UK due to conflict-of-interest concerns, and it's high time the US follows suit. Brokers that do not accept PFOF route orders differently and consequently see superior execution quality. The recent study conducted on Robinhood shows that despite PFOF being responsible for around 70% of its revenue, the company doesn't provide statistically significant price improvement relative to exchanges. It's not fair that retail investors dealing with PFOF get a worse price than those who don't, violating FINRA's Best Execution guidance.

TD Ameritrade's order routing decisions don't seem to be motivated by competition, and they pay to get the first look at orders, routing them to firms that net themselves billions of dollars in the process. This kind of monopolistic behavior needs to stop, and fair competition needs to be ensured, especially within the off-exchange systems that currently dominate.

Wholesalers exercise extreme influence on other market participants, and there are conflicts of interest that may infect the ability of some participants to objectively review the rules. They are taking billions from individuals and institutions and calling it "superior performance" while lying about the quality of their services to maintain their profits. Removing middlemen from the market will improve prices for both individuals and institutions, such as pension funds. The auctions would save individuals billions of dollars taken by wholesalers.

The SEC should investigate conflicts of interest among market participants to ensure that participants can objectively review the rules. Enforcement of SEC rules needs to be improved with higher fines to serve as a significant deterrent for breaking the law. Some broker-dealers should lose their licenses instead of receiving fines that amount to a cost of doing business.

The proposed rule to bring more transparency to dark markets should be implemented as soon as possible. Dark pools (Alternative Trading Systems) should provide quotes and trades to consolidated market data to bring more transparency to dark markets. The Commission should address the unfair information advantage of wholesalers by having brokers first route to the auction and specify where the order should go if the auction is unsuccessful.

In conclusion, the state of American markets is anti-competitive, and fair competition is essential. The Commission needs to ensure fair competition by reducing monopolistic behavior

and removing profiteering middlemen from the market. The proposed rule is a step in the right direction towards bringing transparency, fairness, and competition to the US markets.

Signed

Dante Sapatinas