

Hello, as a long time market participant in crypto I am recommending that the Solana ETF be postponed and denied at this time. Here are my 11 reasons:

1. Solana has no US CME futures or coinbase futures market. Both Bitcoin and Ethereum had futures market for years before they were approved.
2. Solana has been classified as an unregistered security by the SEC in legal actions and without regulatory framework it should remain classified as such.
3. The SEC has launched a new initiative to establish a crypto framework, and without this in place Solana should not be granted an ETF without this framework first being completed.
4. Centralization risks, as Solana's network operates on a small number of larger servers, it is known for outages. Only truly decentralized blockchains are resilient to outages since they use thousands of small distributed nodes.
5. Sam Bankman-Fried, Alameda Research, and FTX held a large amount of solana tokens. The potential for previous market manipulation and new manipulation potentially has already been seen, especially after tokens were sold at a discount during bankruptcy, then those same entities pumped solana only helping the FTX bankruptcy estate.
6. Pump.fun is the main platform that is allowing for retail to create and launch solana tokens, the majority of these investors are losing money with only a small handful actually seeing profits and value. It's a complete pump and dump scheme with no major utility in these meme coins. With new legal actions and facilitating securities violations the main use case of solana could vanish leaving investors with even more losses.
7. Solana's centralized architecture allows for low-cost, high-frequency transactions, which can be exploited to artificially fake metrics like user activity or transaction volume. By moving funds between new addresses or engaging in small, frequent transactions, one can create a misleading network activity, potentially deceiving investors about the actual health and adoption of Solana, there are several news outlets that have reported this being a possibility.
8. The Solana foundation faced scrutiny over its token supply transparency. Initially, it reported a circulating supply of about 8.2 million SOL in April 2020, but it was later uncovered that one wallet held over 13 million SOL, suggesting a much higher actual supply. This led to community outcry, followed by the removal of 11.36 million SOL from circulation by the Solana Foundation in May 2020, adjusting the total supply to 488.64 million. Moreover, a class-action lawsuit in July 2022 accused Solana Labs of misleading investors

about the token supply, alleging sales of unregistered securities and poor disclosure practices.

9. Solana has experienced multiple outages over the years, sometimes lasting for days. Such instability raises concerns about Solana's reliability as a decentralized financial asset. A blockchain that frequently halts is a red flag that it is centralized.

10. Both Bitcoin and Ethereum, the only two cryptocurrencies with SEC-approved ETFs, originally started with Proof of Work (PoW). PoW provides fairer and more decentralized token distribution, as mining rewards are earned through computational work rather than being concentrated in the hands of early investors. Solana, on the other hand, is Proof of Stake (PoS), where early holders with large amounts of tokens can essentially rent-seek, compounding their wealth over time ("rich get richer") without meaningful redistribution.

11. On-chain analytics for Solana are still not widely available. Comprehensive and reliable analytics are essential for investors and regulators to assess the health, activity, and integrity of a blockchain network. The lack of transparent, detailed on-chain data can hinder the ability to monitor for suspicious activities, understand network usage, and validate the claims about network performance and adoption.