

Anonymous household investor
February 4, 2024

**Securities and Exchange Commission
Office of the Secretary
100 F Street, NE
Washington, DC 20549**

Subject: Formal Opposition to the Proposed Rule SR-OCC-2024-001 by the Options Clearing Corporation (OCC) Regarding Margin Requirements Adjustments

Dear Securities and Exchange Commission,

I am writing to express my **profound concerns and opposition to the proposed rule SR-OCC-2024-001** by the Options Clearing Corporation (OCC) related to adjusting parameters for calculating margin requirements during periods of high market volatility. As an individual deeply invested in the stability and fairness of our financial markets, I find it imperative to voice the potential **adverse impacts** this proposal could have on market stability, the opaque nature of the supporting materials provided, and the troubling conflict of interest posed by the role of the Financial Risk Management (FRM) Officer.

Concerns Regarding Market Stability

The proposal to modify margin requirements during volatile periods appears, on the surface, to be a measure for risk mitigation. However, **upon closer examination, it becomes evident that such adjustments could paradoxically exacerbate risk by enabling the accumulation of unchecked financial positions.** Margin calls are a fundamental risk management tool, designed to ensure that investors maintain adequate collateral against their positions. By diluting this mechanism, particularly during tumultuous times, we risk **amplifying the very volatility the OCC seeks to manage.** This could potentially lead to larger systemic risks, undermining the long-term stability and integrity of the markets.

Lack of Transparency in Redacted Materials

The proposal is accompanied by materials that have been significantly redacted, **limiting the ability of stakeholders to fully understand and evaluate the implications** of the changes being suggested. Transparency is a cornerstone of effective regulation and market confidence. Without full disclosure, it is challenging to assess the adequacy, effectiveness, and fairness of the proposed adjustments. This **lack of transparency** not only hinders informed public discourse but also **raises questions** about the thoroughness and integrity of the decision-making process.

Conflict of Interest Concerns Regarding the FRM Officer's Role

The proposal assigns considerable responsibility to the FRM Officer in managing the OCC's risk, creating a potential conflict of interest. While safeguarding the OCC's interests is undoubtedly important, this **should not come at the expense of broader market health and stability.** The alignment of the OCC's interests with those of the wider market is critical, and any divergence presents a conflict that could lead to decisions detrimental to the market's long-term well-being.

Call for Thorough Reconsideration and Enhanced Transparency

Given these concerns, I urge the Securities and Exchange Commission to undertake a thorough reconsideration of the proposed rule change. It is crucial that any adjustments to margin requirements are made with a holistic view of their potential impacts, ensuring that measures to mitigate risk do not inadvertently introduce new risks or exacerbate existing ones.

Furthermore, I advocate for **increased transparency** regarding the proposal and its supporting materials. Providing stakeholders with **complete information is essential** for an informed evaluation of the proposal's merits and potential drawbacks. This transparency is not only fundamental to the decision-making process but also crucial for maintaining **public trust** and confidence in our regulatory frameworks and financial markets.

Accordingly, I cannot support this rule.

In conclusion, while I recognize the OCC's intention to enhance market stability during periods of high volatility, it is imperative that such efforts are balanced with considerations of **transparency, risk management integrity, and the broader interests of the financial markets**. I respectfully request that these concerns be given **serious consideration** in your review of the proposed rule change.

Thank you for your attention to this matter. I trust that the SEC will approach this issue with the diligence and foresight it demands, ensuring that our financial markets remain robust, transparent, and fair for all participants.

Sincerely,

[Anonymous household market participant]