

Opposition to Proposed Rule Change SR-OCC-2024-001

Dear Securities and Exchange Commission,

I am writing to express my concerns regarding the proposed rule change by the Options Clearing Corporation (OCC) to adjust parameters for calculating margin requirements during periods of high market volatility. As a concerned participant in the financial markets, I believe it is crucial to thoroughly evaluate the potential implications of such changes on market stability, transparency, and the broader financial ecosystem.

First and foremost, the proposed rule change raises significant apprehensions regarding its potential impact on market stability. Margin requirements play a pivotal role in managing risk and ensuring the integrity of financial markets, particularly during periods of heightened volatility. Altering these parameters without adequate consideration of the potential consequences could inadvertently exacerbate systemic risks and undermine market stability. Therefore, it is imperative that any adjustments to margin requirements are thoroughly assessed and accompanied by robust risk management protocols.

Furthermore, the lack of transparency in the redacted materials associated with the proposed rule change is deeply concerning. Transparency is essential for fostering trust and confidence in the financial markets, as it allows stakeholders to assess the rationale behind regulatory decisions and evaluate their potential implications. Redacting critical information undermines the principles of accountability and transparency, hindering stakeholders' ability to make informed judgments and effectively participate in the regulatory process.

Additionally, the inherent conflict of interest associated with the role of the Financial Risk Management (FRM) Officer further compounds these concerns. The FRM Officer is tasked with overseeing risk management practices within the OCC, yet their dual role as a decision-maker in the regulatory process raises questions about impartiality and potential conflicts of interest. It is essential to ensure that regulatory decisions are made independently and in the best interests of the broader market, free from undue influence or bias.

In light of these concerns, I urge [SEC/Relevant Regulatory Body] to thoroughly reconsider the proposed rule change and conduct a comprehensive assessment of its potential implications. It is essential to prioritize transparency, risk mitigation, and the broader market's well-being in regulatory decision-making processes. Moreover, stakeholders must be provided with ample opportunity to review and comment on proposed rule changes, ensuring that regulatory decisions are informed by diverse perspectives and rigorous analysis.

Thank you for your attention to this matter.

Sincerely,

Leomar Gomez