

Subject: Comments on SR-OCC-2024-001 – Proposed Margin Requirements for Short Hedge Funds and Institutions

To Whom It May Concern,

I am writing to express my concerns and opposition to SR-OCC-2024-001, particularly in relation to the proposed margin requirements for short hedge funds and other institutions. While I acknowledge the importance of capital requirements in maintaining financial stability, I firmly believe that the margin requirements as outlined in the current proposal may not be sufficiently robust, especially for entities engaging in short selling activities.

Short hedge funds and institutions play a significant role in the financial markets, and their activities can have far-reaching implications. The current regulatory framework primarily relies on capital requirements to curb excessive risk-taking, but I argue that enhanced margin requirements are equally, if not more, crucial in mitigating systemic risks.

The current state of affairs presents a scenario where these funds may operate with limited oppositional force, relying solely on capital requirements to ensure responsible behavior. Higher margin requirements would serve as an additional layer of protection, acting as a proactive deterrent against excessive risk-taking and potential market disruptions.

I propose that the OCC should carefully reconsider and potentially increase the proposed margin requirements for short hedge funds and institutions. This adjustment would not only provide a more comprehensive risk management framework but also instill greater confidence in the overall stability of the financial system.

I appreciate the OCC's dedication to ensuring the safety and soundness of the financial markets and trust that my comments will be given due consideration during the regulatory review process.

Sincerely,
Richard R Davis – Mech Sup – Virginia Beach, VA