BETTER MARKETS

History, Impact, and Timeline Report

2010 -2024

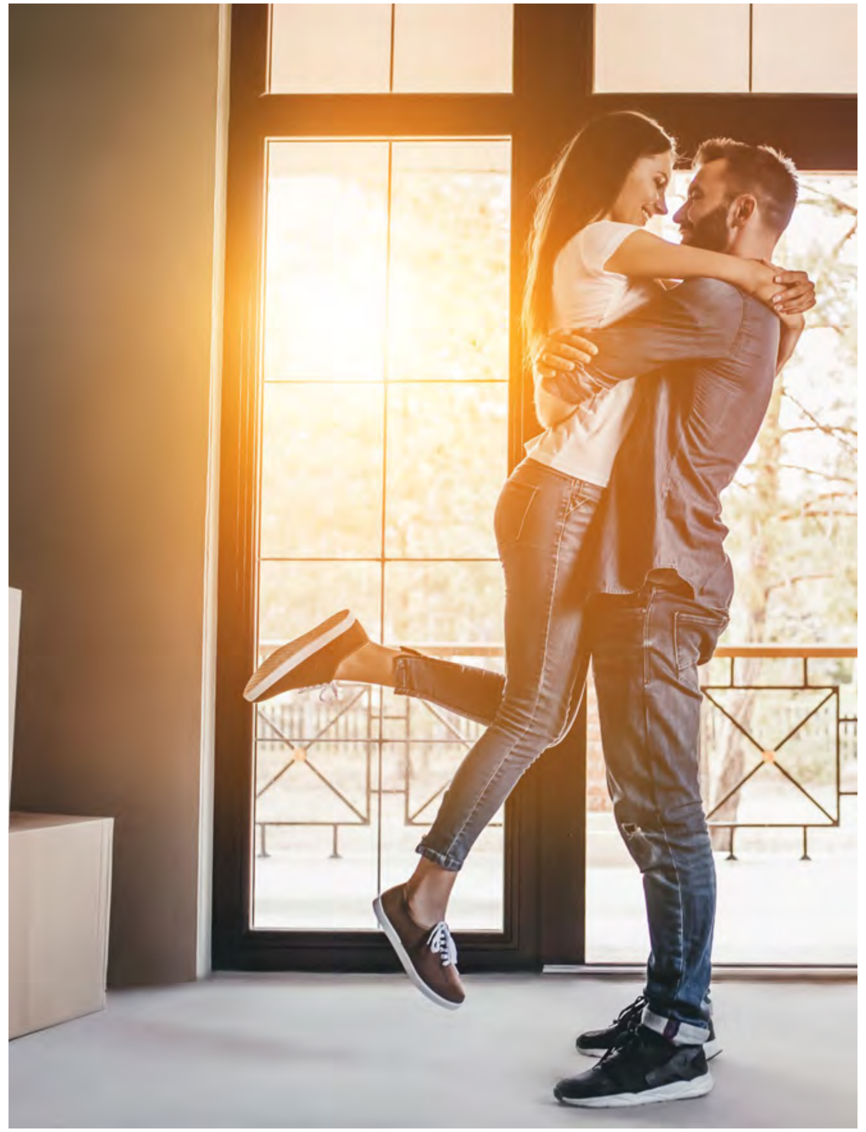


TABLE OF CONTENTS

[1] A full timeline of events is on our website at www.bettermakrets.org.

INTRODUCTION

Hardworking Main Street Americans need a fearless fighter who is expert in the ways of Washington and working tirelessly to protect, promote, and prioritize their financial and economic interests, especially their jobs, homes, savings, investments, standard of living, and dreams for the future. Better Markets, a nonprofit organization with a team of experts, is that fighter.

The economic and financial decks are stacked against most Americans, no matter how hard they try or how hard they work. That is largely because the already wealthy have a stranglehold on the economy via a financial system that too often is focused on highly profitable wealth extraction activities to enrich the few rather than enabling broad-based wealth creation for the many. A big reason for that is that they have hijacked, captured, and corrupted the democratic processes in Congress and at the regulatory agencies, which are supposed to regulate and police them while looking out for the public interest.

That's how virtually the entire financial industry was able to engage in—and get away with—widespread reckless, fraudulent, and illegal subprime mortgage lending schemes in the years before the catastrophic 2008 financial crash. The financiers got the bonuses and bailouts, but the American people got the $20+ trillion bill in lost jobs, homes, savings, retirements, educations, and so much more. Frankly, the country basically lost a generation—that was the true cost of the 2008 crash and the damage done by Wall Street and the financial industry.

But it didn't end there. That was just the most egregious and visible example of the financial industry's wealth extraction at the expense of the American people. Since then, the six largest U.S. banks had profits of $1 trillion in just ten years, the CEO of the private equity firm Blackstone took home $897 million in 2023 and $1.27 billion in 2022, and the CEO of the Citadel hedge fund and market maker has a net worth of "nearly $37 billion," with his hedge fund's 2022 gross trading profit of about $28 billion in 2022 netting $16 billion which was the most in history for a hedge fund. And, when three of the four largest bank failures in U.S. history happened in 2023, they were bailed out, costing Americans as much as $300 billion (more than $30 billion in direct bailouts and the loss of as much as 1% of GDP or about $270 billion), while their executives stuffed their pockets with bonus money and went unpunished to their multimillion dollar mansions.

Where do those trillions, billions and millions come from? Everyone else's pockets. Those dollars represent a massive transfer of wealth from the 90% to the top 10% and, often, the top 1%. That might be ok if it was for reasonably priced products and services that people want and need and that were provided in fair and competitive markets. However, that wealth is often extracted due to tricks, traps, small print, monopoly or oligopoly market power, predatory or illegal conduct, regulatory arbitrage, and unlevel playing fields and special treatment obtained by purchased political power.

To change that, Better Markets uses its expertise as a powerful counterweight to the financial industry throughout the Washington policymaking process: that is where the financial industry uses its economic and political power to bend and rig the rules and laws to benefit it at the expense of hardworking Americans. Better Markets fights for America's Main Street families, businesses, and community banks in the courts, Congress, and at the regulatory agencies, seeking rules, laws, and regulations that benefit all Americans. The goal is a fair financial system that supports the real economy, jobs, and economic growth, especially for those impacted by the structural inequalities in our social, economic, legal, financial, and political systems. We fearlessly speak truth to power, seek to hold Wall Street financiers and their powerful allies accountable, and champion community banks and other financial firms that support the real economy, jobs, and economic growth.

Through the years, we have gained the support and admiration of many who also fight for Main Street families—including former President Barack Obama, powerful legislators like U.S. Representative Maxine Waters and Senators Sherrod Brown and Elizabeth Warren, as well as many organizations, academics, regulators, think tanks, and foundations. How has one relatively small nonprofit been able to successfully take on Wall Street and the powerful financial industry, fight for the security, opportunity, and prosperity of all Americans, and win the respect and admiration of so many? Substantive expertise, independence, fearlessness, sophistication, and credibility, as Better Markets' journey, from founding in October 2010 through today, highlights.

THE JOURNEY SO FAR

The 2008 financial crash was the worst since the Great Crash of 1929, and it caused the worst economy since the Great Depression of the 1930s, which is why it was ultimately called "the Great Recession." The human devastation from coast to coast, the trillions in government bailouts, and the sword of Damocles that finance held over our country all cried out for deep, broad and comprehensive reform.

Although imperfect, like all laws, that is what the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) delivered. However, passing that law was really just a beginning. Dodd-Frank required the many financial regulatory agencies to consider, propose, finalize, implement, interpret, and enforce hundreds of rules before that law could become a reality. Wall Street's biggest banks and financial firms—and the financial industry more broadly—didn't want that to happen. The industry's unregulated, opaque, high-risk activities were very profitable to it, even if they were enormously costly to the country. It was no surprise that the industry wanted to protect its profits, bonuses, and way of operating. (By way of example, Wall Street bonuses broke records in the years before the 2008 crash and, even after being bailed out with trillions of dollars, Wall Street paid itself $20 billion in bonuses for 2009, when unemployment caused by the crash reached 17%—more than 27 million Americans.)

MICHAEL W. MASTERS
Co-Founder & Chairman

DENNIS M. KELLEHER
Co-Founder, President & CEO

After failing to stop the Dodd-Frank law, the financial industry saw the regulatory arena where all those rules had to be processed as an opportunity to win back what they had lost in the legislative arena. In 2009, Sen. Dick Durbin, the Democratic Majority Leader in the Senate, said, "the banks own this place," referring to the Congress. However, that was even more true at the regulatory agencies: the industry's power, access, influence, and expertise were unmatched and, more often than not, had no opposition at all. That's why the head of one of the financial industry's most powerful lobby groups said "When the president signed the financial reform law, that was half-time."

Better Markets was founded to change that and fight the financial industry's regulatory onslaught. Michael Masters, a financial markets professional and highly regarded expert on markets and financial regulation, and Dennis Kelleher, a former senior staffer in the U.S. Senate and deeply experienced attorney specializing in financial markets, cofounded Better Markets on Oct. 1, 2010, just as the Dodd-Frank law was moving to the regulatory agencies. The objective was to assemble a team of experts that would be a substantive counterweight to Wall Street's power, primarily in the rulemaking process, but also throughout the policymaking process in Washington. That included a significant media operation to provide balance in the media coverage, to push the public's interest in a safe, sound, and stable financial system, and to shine a bright light on the industry's activities, which often cannot withstand public scrutiny.

Mr. Masters and Mr. Kelleher believed that creating an independent, nonpartisan team of experts to advocate for the public interest would result in rules that reduced the likelihood of future financial crashes and protected investors and financial consumers. While it's perfectly legal for the financial industry to try to bend the laws, rules and regulations to maximize their profits and bonuses, Mr. Masters and Mr. Kelleher felt strongly that someone simply had to be on the other side of the debate pushing and prioritizing the public interest—that's why they founded Better Markets.

Better Markets recognizes that the only way to prevent another financial crash and economic catastrophe is to make sure the financial system is rebalanced and refocused to again support the financial needs of America's families, entrepreneurs, and businesses of all sizes. Such a system will produce sustainable and durable economic growth, which is the foundation for raising living standards, reduced inequality, and broad-based prosperity. That's why Better Markets does what it does and why it is so important to Main Street families' interests, values, concerns, and aspirations.

Over the years, we've seen a lot of changes in the financial industry and regulatory environment—some good, others bad—but the one constant has been the industry's relentless use of economic and political power to find new ways to slow down, weaken or kill even the most basic, sensible, and necessary financial protection rules. For example, Wall Street's campaign to spread baseless claims regarding higher capital requirements, and the crypto industry's lawbreaking, regulatory pressure, and attempt to get their special interest legislation passed. That industry in particular has viewed virtually every law and rule protecting Main Street families as a threat to their profits and engaged in scorched-earth tactics to prevent the sensible regulation of the industry.

Since 2010, Better Markets has remained a steadfast cop on the Wall Street beat, countering and calling out the industry while always pushing the interests of Main Street Americans to the top of the agenda. It's been an interesting run, with myriad levels of success—some minor, others major—but always with a sense of purpose: improve the economic and financial circumstances of hardworking Americans and make the financial system support them and the productive economy, which should result in rising living standards and broad based wealth.

That is why we say that Better Markets means better banks, better businesses, better jobs, better economic growth, and better lives.

FT
FINANCIAL TIMES

"This entity {Better Markets} first shot to fame during the 2008 global financial crisis when it became a thorn in the side of Wall Street and Washington regulators because it complained loudly — and correctly — about the follies of excessive financial deregulation. Since then, it has continued to scrutinise the more recondite details of US regulation, complaining, again rightly, that the rules have recently been watered down."

-GILLIANT TETT, *FINANCIAL TIMES*

"Better Markets recognizes that the only way to prevent another financial crash and economic catastrophe is to make sure the financial system is rebalanced and refocused to again support the financial needs of America's families, entrepreneurs and businesses of all sizes."

– MIKE MASTERS

OUR THEORY OF CHANGE

MISSION

To fight for the economic security, opportunity and prosperity of the American people, particularly those who are disenfranchised, by working to enact financial reform to prevent another financial crash and the diversion of trillions of taxpayer dollars to bailing out the financial system.

VISION

Protecting Americans' jobs, homes, savings, standard of living and retirements from an unbalanced, fragile financial system that too often enriches itself from high-risk activities with little social value.

VALUES

Better Markets supports pragmatic rules and a strong banking and financial system that enables stability, growth and broad-based prosperity for all Americans.

BETTER MARKETS' THEORY OF CHANGE

THE PROBLEM

The economy no longer works for the vast majority of Americans because, among other things, the financial system is too often a wealth-extraction mechanism for the few rather than a wealth-creation system for the many. This is because the financial sector uses its economic power to buy political power which it uses throughout the policymaking process to protect and increase its economic power.

THE SOLUTION – OUR THEORY OF CHANGE

Using our Arc of Advocacy™, Better Markets' staff members apply their procedural and substantive expertise to people in power throughout the policy-making cycle to protect and promote the economic security, opportunity and prosperity of the American people and to hold Wall Street accountable. Change is certain, but progress is not. Change happens when people in power exercise that power, but progress only happens when those people exercise that power to serve the public interest. Progress is what the Arc of Advocacy™ is designed to accomplish.

THE GOALS

To create and support guardrails, gatekeepers and guard-dogs (the "three Gs") that ensure the financial sector serves society by supporting the real, productive economy that generates jobs and broad-based economic growth, and wealth creation of the 90%, rather than enriching financiers on Wall Street, destabilizing the financial system, draining public resources for their own benefit and unleashing predators on consumers and investors.

1 PRE-PROPOSAL: A rule implementing a law is considered for proposal by an agency or department, sometimes with solicitation of public input on possible approaches.

- Better Markets advocates for a rule or policy change (through meetings, op-eds, speeches, newsletters, etc.).

2 PROPOSED RULE: An agency (or, less often, a group of agencies together) or a department proposes and publishes a rule for public comment.

- Better Markets reviews the proposal.
- Better Markets speaks to experts, develops its own ideas, talks with allies, academics and the industry.
- Better Markets files comment letters on the proposal.

3 POST-PROPOSAL: Comment letters are filed during the comment period. Once the comment period is closed, all the comment letters are made public. The agency then considers all the information gathered from the public or otherwise submitted, as required by the Administrative Procedure Act.

- Better Markets reviews filed comment letters.
- Better Markets meets with key policymakers to advocate our positions and rebut opposing views.

4 FINALIZATION OF THE RULE (AS ORIGINALLY PROPOSED OR RE-PROPOSED): If the agency finalizes the rule, it publishes a final rulemaking addressing comments submitted in response to the initial proposal.

- Better Markets carefully reviews the final rule for compliance with the law and administrative record.
- Better Markets comments on the final rule and strategizes on further action, if appropriate.

5 LITIGATION: The courts may review a rulemaking and reverse, revise or remand a final rule that is substantively or procedurally flawed. Challenged rules are often stayed pending the outcome of the litigation.

- Better Markets considers litigation.
- If the new rule is challenged in court, Better Markets evaluates the challenge and, if appropriate, supports the agency and the process via amicus briefs and other advocacy.

6 IMPLEMENTATION AND INTERPRETATION: The agency interprets and provides guidance (and too often exemptions or relief from compliance) relating to the rule.

- Better Markets monitors how the rule is implemented and how the rule is interpreted by staff and agencies.

7 ENFORCEMENT: The agency also must then enforce the rule.

- Better Markets monitors the enforcement of the rule.
- Better Markets challenges the agency when such enforcement fails to uphold the law or fails to punish and deter lawbreakers.

8 ROLLBACK: Action to repeal, dismantle or otherwise diminish the effect of a law or regulation is taken.

- Better Markets works to defend the rule if the agency rolls it back or if there are attempts by Congress to weaken the rule inappropriately.

While the summary timeline on the subsequent pages makes abundantly clear that Better Markets and its staff have been incredibly busy since being founded in 2010, the question is: have they been effective in their work to make finance and government serve society, fight injustice and inequality, and promote economic security, opportunity, and prosperity for all Americans? The record shows that the answer is a resounding yes, and that's confirmed by policymakers, elected officials, regulators, academics, media, funders, and Main Street Americans.

While numbers never tell the whole story, they can indicate our focus and direction: In the years since our founding, we have participated in more than 450 rulemakings at all of the financial regulatory agencies as well as the international banking organizations and self-regulatory organizations—far more than anyone other than Wall Street's own lobbyists and trade groups. Indeed, we are often the only non-industry participant in the rulemaking process. We have decisively impacted or shaped many of the rulemakings that we have participated in, everything from investor and customer protections to preventing more crashes and bailouts. Our views haven't always prevailed, but they have always forced the agencies, the industry, and others to evaluate the impact of their actions on the public interest. Better Markets' comment letters have been expressly referenced in many final rules including the CFPB's 2024 Credit Card Penalty Fees Rule, the CFTC's 2023 Reporting and Information Requirements for Derivatives Clearing Organizations rule, the SEC's 2023 Money Market Fund reforms, and the SEC's 2022 Whistleblower Program Rules.

ON THE LEGAL FRONT

We have also led or participated in dozens of legal actions and have always impacted the analysis, even if we didn't prevail. For example, when the Department of Justice (DOJ) cut a sweetheart settlement with JP Morgan Chase for its years of egregious illegal activity contributing to the subprime crisis, Better Markets sued the DOJ and Attorney General. We knew the deck was stacked against us, but we felt compelled to bring these key issues to the public's attention and shine a light on shockingly egregious conduct by the DOJ and JP Morgan Chase. We lost in court, but won in the court of public opinion, as the Financial Times editorialized:


FINANCIAL TIMES

EDITORIAL COMMENT

The people versus Wall Street banks

Lawsuit raises concerns about out-of-court settlements

> "Whether or not the case succeeds, it raises valid questions about the way the judicial authorities have dealt with the post-crisis reckoning."

Better Markets also successfully intervened in a landmark case challenging the authority of the Financial Stability Oversight Council to designate nonbank financial institutions as systemically important and bring them under prudential regulation. Our focus was on vindicating the public's right of access to judicial records, many of which had been sealed in the case. The D.C. Circuit squarely agreed with our position in its 2017 opinion. *MetLife, Inc. v. Financial Stability Oversight Council*, 865 F.3d 661 (D.C. Cir. 2017).

In many other cases, Better Markets has influenced courts' decisions through its amicus or "friend of the court" briefs. A cardinal example was on the subject of cost-benefit analysis, a type of economic analysis that the financial industry has used again and again over the past 20+ years to attack rules issued by the SEC and other agencies. After a decade of agency losses in the D.C. Circuit, based largely on claims that the agency had failed to conduct an adequate economic analysis, Better Markets helped turn the tide through its amicus briefs, including when defending an important CFTC rule in the case of *Investment Company Institute v. CFTC*, 720 F.3d 370 (D.C. Cir. 2013). It is clear from the language of the court's opinion and the cases it cited that our brief had a pivotal impact on the court's decision to uphold the CFTC's rule against the industry's cost-benefit analysis attack.

A long list of other winning court decisions on a wide range of important issues involving financial regulation reflect the influence of Better Markets' amicus briefs, which are powered by our uniquely qualified and experienced team of legal experts often in collaboration with other public interest groups and allies..

Here's just a sampling:

- a Fourth Circuit decision vindicating the right of injured investors to bring claims against their brokers in arbitration based on violations of different types of rules, including those of self-regulatory organizations.
- a Supreme Court decision upholding the authority of the SEC to obtain disgorgement of a wrongdoer's ill-gotten gains in an enforcement action.
- a D.C. Circuit decision upholding the SEC's approval of a new order type offered by the IEX exchange that makes trade execution more fair.
- a Supreme Court decision that helps protect whistleblowers from retaliation after they come forward with helpful evidence of illegal activity, and
- a Massachusetts high court decision upholding a rule issued by the state securities regulator requiring advisers to adhere to a fiduciary, or best interest, standard of loyalty when dealing with investors.

BETTER MARKETS’ IMPACT

AT THE AGENCIES AND ON THE HILL

During the last several years, Better Markets opposed KalshiEX, LLC’s (‘Kalshi’) attempt to get the CFTC to allow traders to bet on U.S. elections via so-called “event contracts.” While most were not even aware of the proposal, Better Markets vigorously fought Kalshi’s scheme. We sent detailed comment letters to the CFTC petitioning them to reject Kalshi’s bid and brought together a diverse coalition of partner organizations and lawmakers to speak out against gambling on elections. Our team encouraged lawmakers to get in the fight, and a number of prominent Congressmen and Senators sent their own letters in opposition to the proposed contract. The CFTC made the right decision and rejected Kalshi’s proposal, citing many of the same concerns our team identified.

The New York Times

Wanna Bet On Control Of Congress?

By CARL HULSE

“If it were to be approved by the C.F.T.C. or the courts, you can bet there will be widespread gambling on everything from the presidency to the local dogcatcher,” said Dennis Kelleher, a former top Senate aide who heads Better Markets. “We are at a perilous point in politics where confidence and trust in elections is low and going lower. The last thing democracy can withstand now is additional activities that erode the confidence of Americans.”

Recognizing our expertise and impact, Congress and many others have asked us to testify numerous times about virtually the entire range of financial and economic topics. When the GameStop trading frenzy of 2021 raised many important questions about fairness in the markets, our CEO Dennis Kelleher testified before the House Financial Services Committee. We’ve also testified before Congress on many other issues, including Position Limits and their impact on the prices of commodities like food and gasoline, and financial protection rules to ensure retirement savers aren’t getting ripped off when they get retirement advice.

The GameStop trading frenzy of 2021 captured national and global attention. Better Markets’ CEO Dennis Kelleher’s expert testimony during the House Financial Services Committee’s second GameStop hearing on March 17, 2021, brought Better Markets into the spotlight beyond the Beltway.

IN THE MEDIA

We have also been relentless in ensuring that the media reports both sides of the story when reporting on the economy, financial system or financial regulatory news. The industry is very powerful when pushing its views, which includes paying hundreds of millions of dollars a year—if not more—for advertising in the very media that is supposed to be objectively and skeptically covering, analyzing, and reporting on them. We have been very successful in getting the media to report the other side of the story and have been quoted virtually every single day since our founding across all media platforms as well as publishing numerous op-eds in major publications and releasing many groundbreaking reports that also get well covered. Because of our expertise, we have become the “go to” source on economic and financial regulatory matters and their impact on the public interest.

San Francisco Chronicle

OPEN FORUM On Fintech

Main Street needs true Robin Hood

By Dennis M. Kelleher

The bad news for stock brokerage firm Robinhood, its retail customers and investors keeps on coming.

Last week, the firm that claimed to be launching a “new Wall Street” announced its latest round of layoffs, bringing the total job cuts since April to about one-third of its entire workforce. This announcement came shortly after Robinhood received its latest regulatory sanction — this time by the New York Department of Financial Services, which fined the brokerage $30 million for violating anti-money-laundering, cybersecurity and consumer protection rules.

Robinhood’s stock price has fallen to around $11 a share, down from its $38 initial public offering a year ago, and its retail traders have fared even worse, which is why monthly active users have plummeted to 14 million from a peak of 21.3 million in the second quarter of 2021.

For example, in just one week in March 2024, our team was featured three separate times in the influential ***Financial Times***, as we combatted Wall Street’s misleading claims on capital and sounded the alarm on crypto industry spending in the 2024 election.

Lobbying by US banks against new capital rules is misguided

LETTER by **DENNIS KELLEHER** | MARCH 26, 2024

“The banks, their chief executives and the ad campaigns — and many hundreds of lobbyists — fail to mention key facts deserving equal or greater weight. First, executive pay is a key driver of the anti-capital campaign because bankers’ bonuses are based on return on equity (ROE) which goes higher as equity goes lower.”

Crypto lobbyists are on manoeuvres – and we should be worried

The scale of the campaign the industry is unleashing ahead of the US election is striking

GILLIAN TETT
March 28, 2024

“And this week Dennis Kelleher, head of Better Markets, another non-profit, and crypto critic, wrote that “a crypto industry dark money group . . . with the Orwellian name ‘Fairshake’ raised nearly $80mn in just the last three months of 2023”.

Kelleher says this is being used to attack politicians who have expressed reservations about crypto, such as the Democrat senators Elizabeth Warren and Sherrod Brown. Indeed, the campaign has already helped to knock out one anti-crypto voice, Katie Porter, who recently lost a Californian primary.”

The bank argument on the Basel III endgame is bunk

WILLIAM COHAN | MARCH 23, 2024

“Dennis Kelleher, the co-founder and CEO of non-profit organisation Better Markets, tells me the tussle over how much bank capital is enough is “probably” the biggest fight over a proposed regulatory rule since the Great Depression. And the banks are fighting hard. “It’s not even 12 months after the failure of three of the four largest banks in the history of the United States and you still can’t even talk about capital without the industry unleashing its coffers in every crevice,” Kelleher says, “It’s unbelievable.”

FACING DOWN OUR OPPONENTS

Looking beyond the numbers, however, there are numerous third-party sources that have documented and validated our successes.

One academic study, "After Dodd-Frank: The Post-Enactment Politics of Financial Reform in the United States," found that Better Markets has been decisively important in turning the ideas of the Dodd-Frank financial reform law into a reality.

According to the report, smaller organizations, such as Better Markets, are "serious opponents for their better resourced counterparts" and have partnered with other groups to form an alliance that "has so far prevented industry groups from dominating financial regulation to the degree that occurred in earlier cases of regulatory reform." The report also noted that Better Markets was "particularly well-positioned to engage in the legal maneuvering that began as soon as an agency published a proposed rule" in part because it was led by a former litigator.

Another proof of our effectiveness comes from the financial industry itself, which backed an organization to oppose Better Markets within months of our launch.

As reported in Politico's "Morning Money" newsletter, a "NEW FIN REG [LOBBY] GROUP [WAS] FORMED ... that [claimed to be] defending small business, community banks, regular banking customers ... essentially the little guy who's caught in the crossfire in effort to prevent another crisis." It stated that its goal was to "change the narrative around financial regulation" and claimed that "Better Markets and others aren't focused on the 'collateral damage' here.'" The "collateral damage" they feared was Better Market's advocacy that put the public interest above the financial industry's profits.

Two key points to note: 1) when launched, the group's staff consisted of well-known defenders and supporters of Wall Street's biggest firms and activities and 2) there were already more than 30 organizations in Washington, D.C., promoting Wall Street's and the finance industry's agenda.

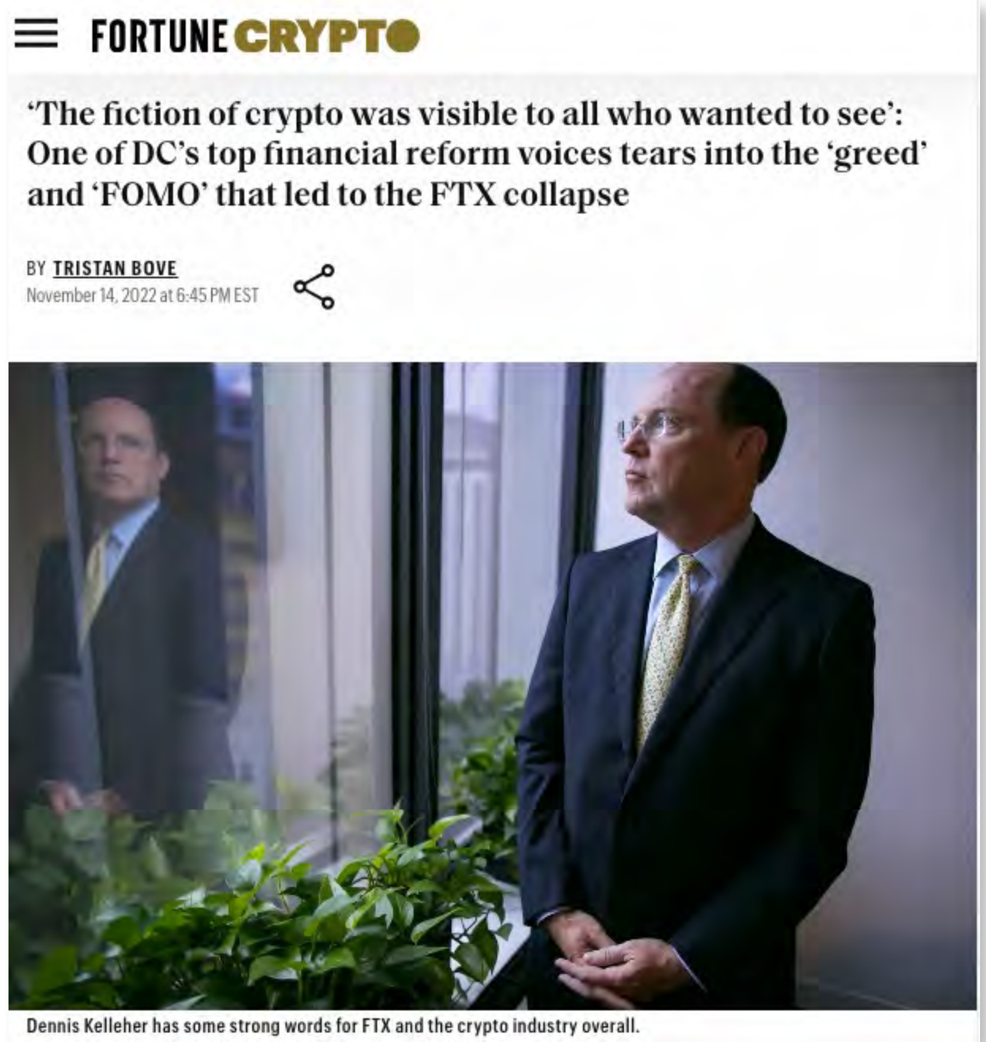
The fact that Wall Street thought that it needed to create yet another organization to augment its existing army of lawyers, lobbyists, trade groups and sundry other organizations to counter Better Markets proves that it saw us as a grave threat to its agenda: repealing, diluting, and bending laws, rules, and policies to benefit the biggest, systemically significant financial institutions in the U.S.

Even emerging actors and newer financial titans have immediately recognized how powerful and effective Better Markets is. In March 2022, FTX and its CEO Sam Bankman-Fried (SBF) wanted CFTC approval for a new predatory business model. It would have been great for their profits, but bad for investors, customers, financial stability, and Main Street families who depend on the CFTC to ensure that everyday products are available at a reasonable price and when needed. Because of that, Better Markets was a very high profile and adamant opponent of what FTX and SBF were trying to do. In response, SBF, through one of FTX's senior staff, offered Better

Markets a $1 million dollars or more in a donation if Better Markets would back down from opposing their predatory plan. We rejected the attempted bribe and continued our fulsome opposition to FTX and SBF at the CFTC and across all of Washington.

Unfortunately, almost everyone else took FTX's and SBF's money and became crypto shills, opposing us as we worked overtime to protect the public from a worthless financial product that is the preferred choice of criminals worldwide. Fortunately, we won: their CFTC proposal was not approved; their special interest legislation was not passed; and it was revealed that they were not only engaging in predatory conduct but were also criminals. SBF was sentenced to 25 years in prison for his fraudulent acts.

> "FTX/SBF/crypto spent enormous amounts of money to make sure many people (including smart and influential people who should have known better) had gigantic financial incentives to not understand, see or question the fiction and fraud that is crypto," Kelleher wrote."



FORTUNE CRYPTO

'The fiction of crypto was visible to all who wanted to see': One of DC's top financial reform voices tears into the 'greed' and 'FOMO' that led to the FTX collapse

BY TRISTAN BOVE
November 14, 2022 at 6:45 PM EST

Dennis Kelleher has some strong words for FTX and the crypto industry overall.

BY THE NUMBERS

450+ COMMENT LETTERS

170 RULE CITATIONS

90+ COURT FILINGS

1,360+ MEETINGS WITH REGULATORS, LEGISLATORS AND OTHERS

55+ REPORTS AND POLICY BRIEFS

170+ OTHER LETTERS, MANY IN PARTNERSHIP WITH OTHER ORGANIZATIONS

525+ BLOG POSTS & FACT SHEETS

1,130+ EVENTS & CONFERENCES

NEWS

5,232 MEDIA MENTIONS

&

nearly **240** TV AND RADIO APPEARANCES

WHERE YOU'LL FIND US...

Shaping the news, amplifying the public's voice and analyzing new policies so Main Street doesn't get left behind

AMERICAN BANKER

AP Associated Press

CBS

FT FINANCIAL TIMES

FOX BUSINESS

THE WALL STREET JOURNAL. WSJ

USA TODAY

The Boston Globe

CNN

The Washington Post

THE HILL

The New York Times

MSNBC

C-SPAN

Bloomberg

PBS

POLITICO

HUFFPOST

The Economist

npr

REUTERS

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2024

As of April 2024

In an extensive [comment letter](), Better Markets called for the CFTC to increase transparency in the carbon credit markets to help combat climate change.

Better Markets issued a [fact sheet]() outlining the key threats of Artificial Intelligence in Finance and the key issues policymakers and regulators need to consider.

The team [vigorously opposed]() the approval of Bitcoin ETPs by the SEC, given the threats to consumers, investors, and financial stability.

Better Markets released a [report]() on the anniversary of the Silicon Valley Bank collapse and emphasized the need for regulators to implement proper supervision measures to prevent another collapse.

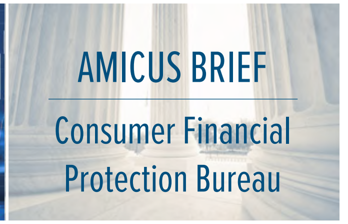
Better Markets, along with AARP; AFL-CIO; American Federation of State, County and Municipal Employees; Americans for Financial Reform; Consumer Federation of America; and Pension Rights Center, revitalized the "Save Our Retirement" campaign from 2015, and mobilized support for the DOL's fiduciary duty rule that requires financial advisers to act solely in the best interest of their clients saving for retirement.

2023

While most attention was focused on the Fed's efforts to tackle inflation, Better Markets [highlighted]() the big missing story on how the Fed's actions created significant risks in the banking system, that ultimately contributed to the regional banking crisis in the spring of 2023. These risks played a sizeable role in SVB's failure.

Our staff was [quick to respond]() to the Banking Crisis of 2023, analyzed the causes of the crisis and called for reforms to reduce the likelihood of similar crashes in the future.

After long-overdue capital proposals are released, Better Markets released a [Fact Sheet]() outlining Wall Street's most egregious false claims on capital.



In an examination of the SEC's record on crypto enforcement, our team [detailed]() the excellent track record of the agency in regulating and enforcing the law on crypto, despite unrelenting attacks from the industry.

Better Markets continued its work to advocate for reforms to protect retail investors after the GameStop Trading Frenzy, including advocating for and ultimately [supporting SEC proposals on issues like Payment for Order Flow (PFOF)]().

In May, 2023, Better Markets joined an [amicus curiae brief]() with the Lawyers' Committee for Civil Rights Under Law and other prominent civil rights organizations urging the Supreme Court to uphold the constitutionality of the CFPB.

2023
Continued >

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2023

Better Markets used its regulatory, policy, legal, and media expertise to get the CFTC to reject KalshiEX, LLC's attempt to allow traders to bet on U.S. elections via so-called "event contracts." Better Markets built a broad coalition of policymakers, experts, advocacy groups, and concerned citizens to oppose the proposal and protect democracy, markets, and investors.

Better Markets held a "Crypto Week of Truth" to shed light on the industry's failed promises and track record of lawlessness, deception, fraud and investor losses. Each day featured original content and analysis examining the fundamental issues surrounding crypto.

In a report, Better Markets staff shed a light on how the climate crisis may become the next financial crisis and how regulators, Wall Street, lawmakers, and the media were ignoring it.

In commemoration of the 15th anniversary of the Lehman Brothers collapse, Better Markets held a virtual conference with many experts and public officials, to discuss the causes, consequences, and ongoing impacts of the 2008 crash, too-big-to-fail generally, and all things finance and economics.

Better Markets was quick to identify how banking regulators' proposals to update the Community Reinvestment Act would not address longstanding issues, while also identifying the easy steps they could take to improve outcomes for minority and low-income communities.

Better Markets filed 54 comment letters on key issues including market structure reforms, gambling on elections, disclosure and capital requirements.

2022

Better Markets was heavily featured in the Max documentary "Gaming Wall Street" on the GameStop trading frenzy and Wall Street's Influence over policymaking.

Better Markets pushed regulators to stop further consolidation among banks to protect consumers by calling upon the Department Justice to work with the Banking Agencies and strengthen the Bank Merger Review Guidelines.

In the Fact Sheet: Financial Risks Related to Climate Change Must Be Addressed—Republicans, Democrats, Wall Street Banks, Finance Leaders Agree, we highlighted the widespread, mainstream consensus from Washington to Wall Street and beyond that climate change poses serious and dangerous risks to the financial system and the economy.

Better Markets issued a comment letter urging the SEC to shine more light on stock buybacks transactions that serve to only benefit management over shareholders.

Dennis Kelleher partnered with Dedrick Asante Muhammad, Chief of Membership, Policy and Equity at the National Community Reinvestment Coalition and Better Markets board member, to highlight the urgent need for financial market regulators to address racial economic inequality and lay out steps to tackle these persisting issues in an op-ed in the American Banker.

Better Markets filed a comment letter urging the SEC to enhance investor protections for initial public offerings by special purpose acquisition companies ("SPACs").

2022
Continued >

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2022

Better Markets published a fact sheet outlining how the Community Reinvestment Act (CRA) has failed and what steps banking regulators must take to ensure minority communities get equal access to credit.

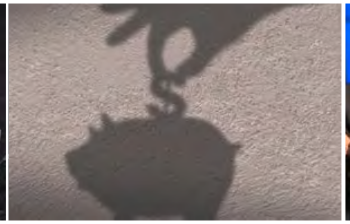
Better Markets advocated for excessive compensation reform, supporting the SEC's efforts to claw back excessive CEO compensation and to prevent the next Financial Crisis.

Recognizing how important and influential Better Markets is FTX offered Better Markets "$1 million or more," but only if we supported its Application at the CFTC – basically a bribe. Even though that is more than 25% of Better Markets annual budget, we refused to sell out and take FTX's money, and we continued to aggressively oppose them, including in a face-to-face meeting with Sam Bankman Fried and his team of lobbyists.

Over the course of the year, Better Markets published a number of reports in our Shadow Banking Series, highlighting the largely unregulated nonbanking sector and the systemic risk it poses to our larger financial system.

Stephen Hall, Legal Director and Securities Specialist, participated in the U.S. Securities and Exchange Commission (SEC) Investor Advisory Committee meeting, which focused on analyzing the content and format of information that is conveyed to customers through account statements and information available from firms online and through apps.

Better Markets files 45 comment letters, on key issues like climate disclosure, market structure reform, and crypto.



The Better Markets team authored an extensive law review article in the Western New England Law Review where we argued that Wall Street should be democratized, but not through exploitive tactics like gamification.

In November 2022, Public Citizen, joined by Better Markets and the Consumer Federation of America, filed an amicus brief in *Lee v. Fisher*, a case in the United States Court of Appeals for the Ninth Circuit. Our brief explained the troubling and growing trend among companies of using their corporate bylaws as a shield to avoid accountability under federal securities law and other federal statutes.

Dennis Kelleher discussed FTX's attempted bribe and Better Markets' work on crypto in the Bloomberg Documentary "Ruin."

Better Markets sounded the alarm on Crypto-kingpin FTX's pending application before the CFTC, highlighting serious concerns in our comment letter.

In November, Dennis Kelleher participated in a Brookings panel where he focused on the revolving door of the crypto industry and the need to prevent crypto from infecting the entire banking system and economy.

In December, Better Markets released a report that eerily predicted that a future bank failure was imminent (Hello Silicon Valley Bank!) and called for stronger bank capital requirements.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

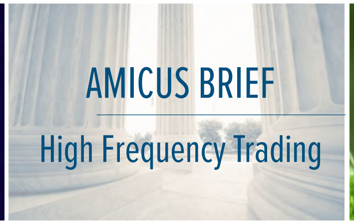
2021

In a Financial Times op-ed, Dennis Kelleher laid out a bold agenda for the new SEC Chair "to protect investors; facilitate capital formation; promote fair, orderly, and efficient markets; and strengthen financial system resilience and stability."

From the beginning of the GameStop trading frenzy, Better Markets provided insights into how these events occurred, the key players, and many of the topics, terms, and activities relevant to these happenings. The team worked tirelessly to make sure our markets are safe for retail investors, not just the special interests on Wall Street.

What's Payment for Order Flow—or PFOF, you ask? From The Problem with Jon Stewart show to CNBC, Dennis and the Better Markets team emerged as the trusted authorities, simplifying the complexities of PFOF at the core of the GameStop frenzy.

In April, we filed an amicus brief in *Citadel v SEC*, supporting the SEC's approval of a new order type by IEX that can help protect millions of Americans from high frequency traders.



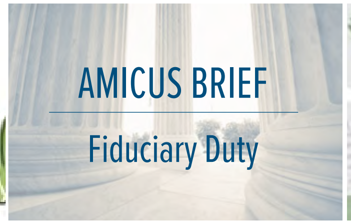
In a white paper titled, What is ESG and Why is it So Important?, Better Markets explored the impact of climate change on the financial system, the prospects for competition in a decarbonized economy, and other ESG issues.

We published our report Addressing Racial Economic Inequality Through the Banking System, identifying steps the Federal Reserve and other federal banking regulatory agencies must take to begin to level the playing field and address economic inequality and discrimination in the banking sector.

Better Markets laid out an ambitious yet achievable agenda for the Fed's next Vice Chair of Supervision, identifying key objectives related to enforcement, promoting greater resiliency for our financial system, and greater resiliency of our financial system, and redirecting the banking system so that it works for all Americans.

Tim Clark and Phillip Basil discuss in a report the actions the Federal Reserve and other banking agencies should take to reduce the threat of climate change and its potential to upend the global social and economic order.

Phillip Basil, Better Markets' Director of Banking Policy, discussed how the Federal Reserve's policy on climate change should evolve under Powell's second term on Yahoo Finance.



In December, Better Markets joined an amicus brief in *Hughes v Northwestern University*. We argued the Court should give the plaintiffs an opportunity to hold those who administer retirement plans accountable when they breach their fiduciary duties.

Better Markets ended the year by providing insights into how the SEC could work towards improving racial economic inequality through the regulation of securities.

Better Markets filed 20 comment letters that included efforts to stop the banking agencies from weakening supervision guidelines, promoted consideration of environmental, social, and governance factors in investment strategies, and more.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2020

The Supreme Court issued a ruling in *Liu v SEC* upholding the SEC's right to obtain disgorgement from those who violate the securities laws and defraud investors. Better Markets filed a joint amicus brief with the Center for Responsible Lending and the National Consumer Law Center defending the SEC's position.

Better Markets launched TRACER™ or "Tracker of Regulatory Agencies Coronavirus Emergency Responses" to catalogue every coronavirus-related action taken by the financial regulatory agencies.

Better Markets spoke out against embedded racism in U.S. social and political systems, the disproportionate impact of the coronavirus pandemic on minorities and the role the financial system and financial industry have played in perpetuating those inequities. It issues a statement on the murder of George Floyd and racism.

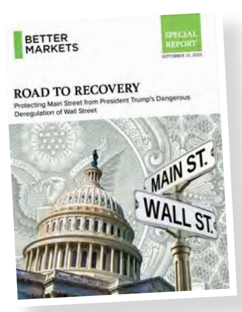
On July 21, the 10th anniversary of the signing of the Dodd-Frank Act, Better Markets released two reports (below) and holds a virtual webinar with remarks from former President Barack Obama, former Sen. Chris Dodd, former Rep. Barney Frank and Sen. Elizabeth Warren. C-SPAN carried the event.

READ REPORT

READ REPORT

The Fourth Circuit sided with Better Markets, holding that brokers can be held accountable in arbitration for violating their own rulebook in *Interactive Brokers LLC v. Saroop*. The decision reflects a core argument that Better Markets advanced in its 2019 amicus brief.

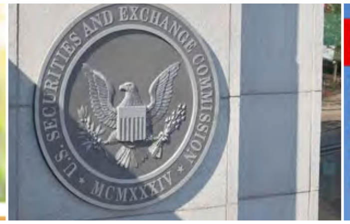
Better Markets held a virtual conference with Sen. Sherrod Brown (D-Ohio) to discuss the current state of financial reform and releases a report on the "Road to Recovery: Protecting Main Street from President Trump's Dangerous Deregulation."



READ REPORT

In an op-ed for CNN, Dennis Kelleher outlined the need for a cabinet-level Department of Economic Security to fulfill a need parallel to the Federal Reserve, which effectively looks after the interests of Wall Street and wealthy shareholders.

In a letter to SEC Chair Jay Clayton, Better Markets and dozens of other public interest groups urge the SEC to institute new disclosure requirements to allow investors and the public to analyze how companies are acting to protect workers, prevent the spread of the virus and responsibly use any federal aid they receive.



Better Markets issued a report examining the important financial cases on the Supreme Court's docket in the year ahead and forecasting the ways in which a Justice Amy Coney Barrett will further align the Court with corporations and businesses and against consumers and investors seeking remedies for fraud and abuse in the financial markets.

Better Markets secured a significant victory from the CFTC, which follows our call for a prohibition on the anti-competitive and anti-market practice called "post-trade name give-up." That CFTC action was a critical step toward increased competition in the dealer-dominated derivatives markets.

Better Markets continued its advocacy on investor protection by filing multiple comment letters on harmful changes to public markets, dangers of reducing shareholder rights and stifling the voice of independent advice provided by proxy advisors.Better Markets also engaged regulators and spoke to reporters.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2019

Better Markets released a special report, Goldman Sachs' 1MDB "Four Monkeys" Defense and CEO Solomon's Golden Opportunity, detailing the misconduct of Goldman Sachs and encouraging the bank to proactively reform itself.

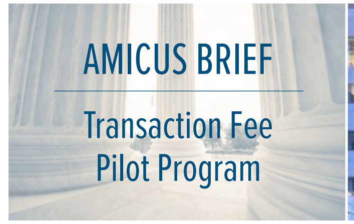
Better Markets released a special report on the six biggest bailed-out banks, their RAP sheets and their ongoing crime spree.

Better Markets released an op-ed that comments on CFPB Director Kathy Kraninger's first major rulemaking in favor of payday lenders that would trap borrowers in an endless and inescapable cycle of debt, while payday lenders keep collecting interest and fees.

Dennis Kelleher testified at a key Senate hearing during which he reminds lawmakers that America's top five gigantic, derivative-dealing banks must be properly regulated, serve Main Street instead of threatening it and never again get taxpayer bailouts.

Better Markets and Chairman Michael Masters are featured in an Inside Philanthropy article "Up Against Wall Street: How This Little-Known Hedge Funder Backs Financial Reform."

Dennis Kelleher was invited to address a panel on "Stress Tests as a Policy Tool" as part of a stress testing conference hosted by the Federal Reserve Bank of Boston.



Better Markets filed an amicus brief urging the D.C. Circuit Court of Appeals to uphold the SEC's critical Transaction Fee Pilot program, which it initiated to study the effects of the legalized kickbacks large exchanges offer to brokers to attract orders.

The New Secretary General for the Basel Committee on Banking Supervision visited Better Markets and discusses U.S. and global financial reform efforts past, present and future.

Dennis Kelleher attended a meeting of the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) at the French Embassy in Washington, D.C.

Better Markets released another special report on the Supreme Court that includes an update on cases involving financial and economic issues for the 2018-2019 Supreme Court term and a look ahead to 2019-2020.

Better Markets' Distinguished Senior Banking Adviser Tim Clark discussed the role regulation plays in a panel discussion hosted by Brookings. The event focused on seeking insights and answers to the repo market disruption that took place in September. Days later, Brookings hosted "Brokered Deposits in the Fintech Age," where Dennis Kelleher participated as a panelist.

Better Markets filed 36 comment letters on issues ranging from payday lending to brokered deposits to bank living wills and regulations on total loss absorbency to transparency in the federal rulemaking process to securities and derivatives exemptions and market structures. Better Markets secured a number of victories in these and other areas.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2018

Better Markets released an op-ed that calls on the Supreme Court to hold securities fraudsters accountable in a key case before the Court: *Lorenzo v. SEC*.

Better Market filed a comment letter opposing the SEC's efforts to weaken its whistleblower protection program.

Better Markets compared the endless "rightsizing" or "tweaking" of rules by the Trump administration as "death by 1,000 cuts" in a blog post titled: A Lot of Small Deregulation Can Add Up to Significant Rollbacks.

Dennis Kelleher moderated an INET panel discussion with Paul Volcker, who later told him in a conversation before he passed away in 2019: "Now it is up to you to carry on the battle."

Dennis standing on a riser, joked with Paul about who was taller!

On the 10-year anniversary of the 2008 financial crash, Politico Pro held a very lively discussion at its annual summit. The panelists, featuring Better Markets' Dennis Kelleher, along with Representative Gwen Moore (D-WI), Harvard Professor of Economics Kenneth Rogoff, and Jeremy Newell, executive vice president at the newly created Bank Policy Institute, discuss the state of financial reform and where the next financial crisis might lurk.

Dennis Kelleher and Better Markets featured in "Tailspin: The People and Forces Behind America's Fifty-Year Fall—and Those Fighting to Reverse It," a best-selling book by author Steven Brill.

Dennis Kelleher delivered the first keynote at the Financial Stability Conference 2018 in Berlin, Germany. Dennis' remarks provided deep insights on what's going on in the United States regarding financial regulation under the Trump administration.

Polling by Better Markets found a majority of American voters want to back candidates who will rein in Wall Street as part of their economic agenda.

Better Markets released the first in a series of reports on the important role of the Supreme Court in the financial lives of all Americans, this one entitled "Justice Kavanaugh: Good for Corporations, Bad for Your Wallet."

Better Markets filed 24 comment letters addressing deregulatory proposals on issues ranging from the stress testing and leverage ratio applicable to certain banks to requirements on high-risk, recidivist brokers to appalling SEC standards permitting certain financial advisors to put their own financial interests above the interests of their clients.

As part of the advocacy in connection with those comment letters, Better Markets lead a coalition of public interest organizations in fighting extreme deregulatory rollbacks of the Volcker Rule and successfully convinced the CFTC to abandon a proposal that would have exempted some derivatives dealers from direct federal oversight and many of the Dodd-Frank Act's reforms.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2017

Better Markets participated in a Treasury Department roundtable meeting on the President's Executive Order with a focus on FSOC's unique role in identifying emerging systemic risks to the financial system.

Better Markets sent a letter to Chairman Mike Crapo and Ranking Member Sherrod Brown of the Senate Banking Committee detailing "the big lie": the baseless claim that financial regulation and economic growth are mutually exclusive. That was and remains false; indeed, effective financial regulation provides the indispensable foundation for economic growth.

Better Markets filed 18 comment letters challenging a host of deregulatory initiatives across federal agencies seeking to return Wall Street to many of the practices that led to the 2008 financial crisis.

Citing profound and unmanageable conflicts of interest, Better Markets went to court to disqualify the Department of Justice from representing FSOC in the *MetLife v. FSOC* case.

Better Markets' engaged in substantial advocacy around Wells Fargo's widespread illegal sales practices, including releasing a fact sheet detailing the scope and scale of those activities. In an op-ed, report and other materials, Better Markets was the first to call for the firing of Wells Fargo's CEO and board, which happened subsequently to varying degrees.

As a longtime and ongoing advocate for financial consumers and the Consumer Financial Protection Bureau, Better Markets published an op-ed in the Los Angeles Times discussing Why Every American Should Want a Strong CFPB.

2016

The CFTC finalized its cross-border margin rule, a significant example of Better Markets' successful advocacy to stop global derivatives dealers from searching for loopholes around the globe for their high-risk trading.

Better Markets launched what ends up being a multi-year advocacy effort to compel the SEC to create a Consolidated Audit Trail (CAT) that would enable the SEC to identify and punish predatory market practices and strengthen market integrity.

Better Markets filed 28 comment letters on critical issues ranging from appropriate regulation of electricity markets to equity market structure issues and order handling practices to enforcement of the securities laws and development of the consolidated audit trail to "step in" risks facing the largest too-big-to-fail banks with respect to foreign affiliates to arbitration abuses.

In February 2016, Better Markets issued a policy brief entitled "Stopping Wall Street's Derivatives Dealers Club," which proposes concrete solutions to some of the biggest challenges remaining in the derivatives markets.

Better Markets' Securities Specialist and Legal Director Stephen Hall testified before the U.S. Senate Committee on Banking, Housing and Urban Affairs' Subcommittee on Securities, Insurance and Investment, at a hearing entitled "Improving Communities' and Businesses' Access to Capital and Economic Development."

Better Markets filed one in a series of amicus briefs in the federal district and appellate courts defending the DOL's strong fiduciary duty rule protecting retirement savers from adviser conflicts of interest that siphon away tens of billions of dollars a year; this was a joint brief in the D.C. District Court in *National Assoc. for Fixed Annuities v. Perez*, leading to a victory on the merits.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2015

Dennis Kelleher examined the impact of the Dodd-Frank legislation on the U.S. banking industry on Bloomberg's "In The Loop." During the segment, Mr. Kelleher discussed a study portrayed by the industry as Harvard research that was in fact drafted by a former JPMorgan Chase officer and issued a fact sheet that dismantles the error-laden document.

Dennis Kelleher testified after Secretary of the Treasury Jack Lew in March 2015 before the U.S. Senate Committee on Banking, Housing and Urban Affairs at a hearing entitled "FSOC Accountability: Nonbank Designations."

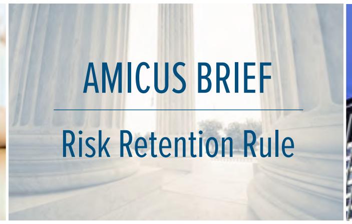
Dennis Kelleher testified before a subcommittee of the House Committee on Education and the Workforce at a hearing titled, "Restricting Access to Financial Advice: Evaluating the Costs and Consequences for Working Families." Mr. Kelleher emphasized that conflicts of interest among financial advisers were causing massive harm to American retirees.

Better Markets held an event at the Newseum in Washington, D.C., to mark the fifth anniversary of President Obama signing of the Dodd-Frank Financial Reform and Consumer Protection Act on July 21, 2010. C-SPAN covered the event which featured remarks by former Secretary of the Treasury Jack Lew and a conversation with Sen. Chris Dodd (Conn.) and former Rep. Barney Frank (D-Mass.), moderated by then-Washington Post financial reporter Ylan Mui.

In conjunction with the event, Better Markets released a report titled The Cost of the Crisis, $20 Trillion and Counting, detailing how the 2008 financial crash and the economic collapse it caused cost the United States more than $20 trillion.

Better Markets joined other leading organizations at an AARP event where President Obama announces his support for an updated fiduciary duty rule that would require all advisers who provide retirement investment advice to act solely in the best interest of their clients.

Better Markets, along with AARP; AFL-CIO; American Federation of State, County and Municipal Employees; Americans for Financial Reform; Consumer Federation of America; and Pension Rights Center, announced the "Save Our Retirement" campaign dedicated to educating the public and mobilizing support for the DOL's fiduciary duty rule that requires financial advisers to act solely in the best interest of their clients saving for retirement.



Better Markets filed an amicus brief in the D.C. Circuit defending the risk retention rule under the Dodd-Frank Act that requires the sponsors of complex securitized investments to retain some of the risks—or "skin the game"—to reduce systemic risk. *See Loan Syndication & Trading Assoc. v. SEC*.

Better Markets moved to intervene in MetLife's challenge to its designation by the FSOC as a potential threat to financial stability, for the purpose of unsealing the record, most of which is hidden from public view. That successful motion ultimately lead to a strong victory in the D.C. Circuit. *See MetLife, Inc. v. Financial Stability Oversight Counsel, 865 F.3d 661* (D.C. Cir. 2017).

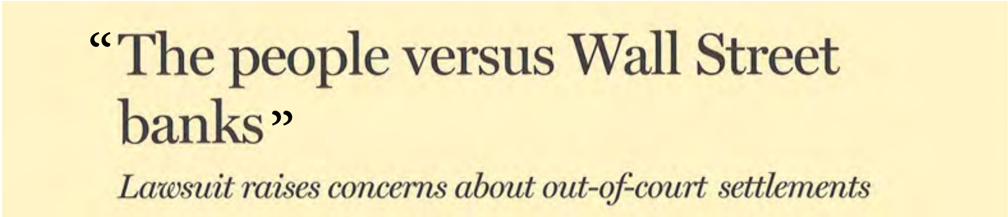
Better Markets filed 32 comment letters, with issues ranging from enhanced capital and liquidity requirements for the largest too-big-to-fail banks to resolution authorities in the event of a failure of one of these banks to executive compensation to the financial system fragilities associated with large asset management firms.

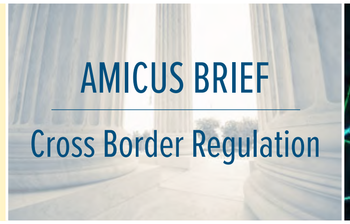
TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2014

Better Markets has fought relentlessly to stop the indefensible double standard where Washington gives favorable treatment to Wall St banks when they break the law but throws the book at Main Street companies. For example, when the SEC settled with Citigroup, it followed the sweetheart settlement template it established when it settled with Goldman Sachs for its Abacus lawbreaking. Better Markets then litigated against the SEC and Citi before Judge Rakoff in the Southern District of New York and in the Appeal Courts. And, when the Department of Justice gave a slap-on-the-wrist to JPMorgan Chase for its subprime crimes causing the 2008 crash, Better Markets sued, arguing that courts must independently review these backroom deals. The lawsuit was widely recognized as raising critical issues.

Better Markets continued to push regulators and policy makers to take action to stop predatory [High Frequency Traders](), which rip off investors and retirees and destroy confidence in our markets.





Better Markets filed [a lawsuit]() against the Department of Justice to challenge the $13 billion sweetheart settlement with JPMorgan Chase & Co. for its years of illegal conduct inflating the subprime mortgage bubble and fueling the 2008 financial crash.


FINANCIAL TIMES
EDITORIAL COMMENT
The people versus Wall Street banks
Lawsuit raises concerns about out-of-court settlements
Whether or not its legal challenge succeeds, Better Markets has highlighted some troubling issues

As part of its extensive advocacy for strong cross-border regulation, Better Markets filed an amicus brief in the U.S. District Court for the District of Columbia in the case of *Securities Industry & Financial Markets Association v. CFTC*, supporting the CFTC's cross-border rules and guidance against a slew of attacks, including those based on cost-benefit analysis. Better Markets' cross border materials are collected [here]().

2013

As part of a comprehensive, multi-agency advocacy program, Better Markets met with SEC Chair Mary Jo White and staff [to advocate for a strong Volcker Rule]() and discussed how it can be effectively implemented. Better Markets' Volcker Rule materials are [collected here]().

Dennis Kelleher discusses the Volcker Rule and the need to change Wall Street's risk-taking culture on [PBS NewsHour]().

Better Markets filed 43 comment letters on significant Dodd-Frank rulemakings, called for (among other things) reforms to money market mutual funds, increased protections for customer funds in the aftermath of the high profile M.F. Global failure, more appropriate market risk elements of bank capital requirements, automated trading safeguards and strict legal duties for investment firms to put their clients' interests before their own.

Dennis Kelleher testified before the Senate Agriculture Committee on "[Reauthorization of the Commodities Futures Trading Commission]()," and explained the dangers of the unregulated and underregulated derivatives markets that led to the 2008 financial crisis.

Dennis Kelleher discussed the Department of Justice's lawsuit against Standard and Poor's rating agency on [CNBC Worldwide Exchange]().

Prior to a meeting at the CFTC, Mike Masters, Wallace Turbeville and David Frenk got "hands on" fixing the CFTC's AV equipment.

Better Markets filed a comment letter urging the SEC to adopt comprehensive reforms to address the de-stabilizing threat of runs on money market funds, a persistent danger that surfaced again in 2020 as the Coronavirus shook the financial markets.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2012

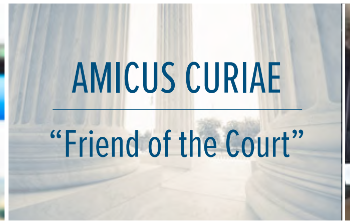
Better Markets released a related report, "[The Cost of the Wall Street-Caused Financial Collapse and Ongoing Economic Crisis is More than $12.8 Trillion]," that estimates the cost of the 2008-2009 financial crisis to be more than $12.8 trillion during an event at the [National Press Club].

In April, Better Markets files the first of many amicus briefs, this one in the U.S. District Court for the District of Columbia, defended the CFTC's position limits rule against industry's attack on cost-benefit analysis grounds, in *International Swaps & Derivatives Association v. CFTC*.

The New York Times profiled Dennis Kelleher in an article titled "[Facing Down the Bankers]" and referred to him as "one of the most powerful lobbyists on financial reform."

Better Markets testified before the Senate Banking Committee on [computerized trading], raising early concerns about the risks associated with automated trading and the effects that predatory trading has on U.S. securities markets.

Dennis Kelleher testified before [Congress that rising gas prices] are closely related to excessive speculation in the U.S. derivatives markets by Wall Street banks and other firms.



Better Markets published the trailblazing and widely influential report "[Setting the Record Straight on Cost Benefit Analysis and Financial Reform at the SEC]." It countered the industry's self-interested, one-sided demands for a one-size-fits-all, quantitative and onerous cost-benefit analysis in the rulemaking process. This was little more than "industry cost only analysis" and was a primary club that the industry used against the Dodd-Frank Act. At the time, the financial industry's analysis was unrebutted and had been gaining traction in the courts and Congress. Better Markets' robust report rebutted those arguments and showed that the industry's claims were baseless on both legal and policy grounds.

Better Markets filed a motion in the SDNY court to intervene for the public interest during review of the weak settlement agreement between the SEC and Citigroup for the bank's role in the financial crisis. Subsequently, picking up an idea first raised by Better Markets, the appeal court ordered that independent counsel be appointed to represent the public interest in the appeal.

Dennis Kelleher testified before the House Financial Services Committee in a hearing entitled "[Examining the Impact of the Volcker Rule on Markets, Businesses, Investors and Job Creation, Part II]."

In addition, Frontline featured Mr. Kelleher in its award-winning documentary "[Money, Power and Wall Street]" and PBS also highlighted Mr. Kelleher and Better Markets' work in "[Braking the Banks]."

Better Markets sent a [letter] to the Senate Banking Committee urging it to remain focused on the proven threats that Wall Street's too-big-to-fail banks pose to our financial system and called on U.S. Senators to ensure relief intended for community banks.

Better Markets filed 38 comment letters on issues ranging from the critical annual stress testing requirements for the largest U.S. banks to enhanced capital and supervisory standards for banks to derivatives markets reforms.

TIMELINE OF SELECTED SIGNIFICANT EVENTS IN BETTER MARKETS' HISTORY:

2011

Stephen Hall, formerly senior counsel to the Committee on Financial Services of the U.S. House of Representatives, joined Better Markets as securities specialist and later became legal director as well. As of 2024, Mr. Hall is one of Better Markets' longest serving employees along with Dennis Kelleher.

In its first final Dodd-Frank rulemakings, the CFTC heeded Better Markets' calls for improved risk management and greater transparency, marking the first of many Better Markets victories at the agency.

Better Markets released one of its first reports: *Commodity Index Traders and Boom/Bust in Commodities Prices* on how commodity price volatility impacts American families through increased prices for food, fuel and clothing. This is a critical early effort in our 14-year fight to enact meaningful limits on speculation in the derivatives markets, which adversely affects the price of everything from gasoline to a loaf of bread to babies' toys.

Better Market's Derivatives Specialist Wallace Turbeville spoke during a Senate Subcommittee on Investigations hearing on excessive speculation and compliance with the Dodd-Frank Act.

In an interview with CNBC, Better Markets Chair Mike Masters explained the importance of limiting excessive speculation affecting commodities markets as 17 senators wrote to the CFTC calling for a plan to impose position limits in the energy futures markets.

Better Markets filed 77 comment letters on consequential Dodd-Frank rulemakings on critical financial reform issues, including reforms relating to the Volcker Rule, derivatives markets and dealer oversight, executive compensation, market manipulation, securitization and credit rating agencies.

2010

Better Markets officially launched on Oct. 1 and set up headquarters on K Street in Washington, D.C.—just blocks from the White House, Congress, the federal courts and the financial regulatory agencies—and began meeting with regulators and drafting comment letters. The organization's founding is just months after the July 2010 passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Better Markets filed its first comment letters, launched a blog, hired its first employees and met with staff at the Treasury Department, the Federal Reserve and other regulatory agencies.

Better Markets' Chair Mike Masters spoke with welling@weeden about the impetus to launch Better Markets.

Better Markets launched a proactive communications strategy that employed early-use of social media, including X(Twitter) and Facebook, to provide substantive information to the press and other constituencies, issue rapid responses to rebut industry spin and disinformation and highlight industry and regulatory activities.

Better Markets participated in a symposium in Washington, D.C., on the economic impact of the Dodd-Frank Act.

Better Markets filed eight comment letters on consequential Dodd-Frank rulemakings. Its first comment letter is filed with the Financial Stability Oversight Counsel on the implementation of the Volcker Rule, kicking off a 10-year fight to stop the largest too-big-to-fail banks from engaging in "proprietary trading."

OUR WORK IS FAR FROM COMPLETE

Of course, the battle for an economy that works for all Americans and a financial system that supports that economy is far from over. The industry is relentless in using its economic, financial, and political power to maximize short term profits and bonuses, too often regardless of the impact on the economy, our markets, investors, broad based wealth, extreme inequity, and fundamental fairness. It's unfortunate but the financial industry still prefers high risk activities because they are highly profitable and result in extreme and excessive executive compensation and bonuses.

This was most glaringly illustrated by the three bank failures in 2023. The collapse of Silicon Valley Bank and two other banks in March 2023 resulted in direct bailouts amounting to $30 billion dollars, with hundreds of billions more in damages to the American people. That happened because the Trump administration deregulated the banks and gutted supervision. As a result, those banks did not have enough capital to absorb their own losses when their high-risk activities caused the banks to fail. The result was bank executives enriched themselves at the expense of everyone else. They got their bonuses and everyone else got the bill for their banks' failures.

This was a classic, clear, and highly visible illustration of the importance of—and the need for—banks to have more capital. Nevertheless, Wall Street biggest banks and their many allies have been hard at work spreading baseless claims in a propaganda campaign to stop regulators from requiring banks to have a little more capital. That would be good for banks, the financial system, financial stability, taxpayers, and the economy, but it would be bad for bankers' bonuses because they go higher as capital goes lower. That's why Better Markets has been a leader in the fight for the regulator's capital rule (called "Basel" or the "Basel III Endgame"), using data and analysis to show the need as well as to expose the industry's meritless claims.

Regrettably, it's not just bankers behaving badly. Predatory if not illegal behavior in the financial industry remains far too profitable, especially when the financial industry uses its economic power to buy political power. That's what we're seeing with the crypto industry. In any world where merit decides outcomes, crypto would be outlawed, particularly given it has no social use and is the preferred financial product of criminals worldwide. Yet in a system based on power, newly minted crypto billionaires are still pushing to re-write the rules that apply to everyone else while trying to buy favorable special interest legislation to make it more favorable for them, all putting Main Street Americans at risk. While the criminal frauds of FTX and SBF were ended with SBF's arrest, conviction, and imprisonment, the industry's influence campaign continues unabated. It nevertheless remains a fundamentally lawless industry with a predatory business model that facilitates and spreads fraud and crime, which is why Better Markets will continue oppose it.

It must be remembered, however, that although many challenges remain, many battles have been won, and financial reform is largely, if imperfectly, working. While Better Markets' fight for Main Street Americans and businesses continues, we wanted to highlight and share some of our work and successes on their behalf with those who have supported us through the years and helped make all that possible.

As we prepare for the coming years, we will continue to be a counterweight to the financial industry and ensure that the public interest in an economy that works for everyone is prioritized in Washington. We will also focus on new and emerging risks, whether they come from the integration of Artificial Intelligence (AI) into the financial system, the exposure of finance to the climate crisis, or the need to address the persistent racial wealth gap. We will continue to stand up for and fight for the broad public interest, Main Street families and businesses, and for a financial system that serves us all and helps create sustainable economic growth and broad-based prosperity.

We hope that we can continue to count on your partnership and support.

SELECTED PUBLISHED WORK

A complete collection of our work can be found at www.BetterMarkets.org. Please contact us directly if you're looking for something in particular.

Commodity Index Funds

- Commodity Index Traders and Boom/Bust in Commodities Prices

Dodd-Frank/Financial Reform

- Ten Years of Dodd-Frank & Financial Reform: Obama's Successes, Trump's Rollbacks & Future Challenges
- President Obama in His Own Words: Making Financial Reform a Reality 2009-2016
- Road to Recovery: Protecting Main Street from President Trump's Dangerous Deregulation of Wall Street
- Eugene Scalia Has Been Wall Street's Best Friend and a One-man Financial Stability Wrecking Crew

Supreme Court, Other Courts

- The CFPB's Outstanding Record Protecting America's Financial Consumers
- The Supreme Court and Your Wallet
- An Update on Supreme Court Cases Involving the Financial and Economic Security and Prosperity of the American People
- Judge Kavanaugh: Good for Corporations, Bad for Your Wallet
- Economic and Financial Issues before the Supreme Court and the Impact of Judge Amy Coney Barrett

Six Biggest Banks

- Wall Street's Six Biggest Bailed-Out Banks: Their RAP Sheets & Their Ongoing Crime Spree
- After 20 Years of Repeated Illegal Conduct, the DOJ Must Bring Criminal Charges Against JPMorgan Chase and Its Executives
- Goldman Sachs' 1MDB "Four Monkeys" Defense and CEO Solomon's Golden Opportunity
- Goldman Sachs' Twenty-Year RAP Sheet of Repeated Illegal Conduct
- DOJ Must Severely Punish Unrepentant Recidivist Goldman Sachs for 1MDB's Global Crime Spree

Regulatory Agencies

- Kalshi's Dangerous Efforts to Allow Gambling On U.S. Elections
- The Securities and Exchange Commission: Regulation And Enforcement In 2022
- Federal Reserve Policies And Systemic Instability: Decoupling Asset Pricing From Underlying Risks
- Setting the Record Straight on Cost-Benefit Analysis and Financial Reform at the SEC
- Banking Crisis Exemplifies the Fed's Enforcement Failures: Here's What to Do About It
- Fact Sheet: Wall Street's Claims Against Capital Are False, Baseless, And Dangerous

2008 Crisis and Beyond

- The Cost of the Wall Street-Caused Financial Collapse and Ongoing Economic Crisis Is More Than $12.8 Trillion (September 2012)
- The Cost of the Crisis: $20 Trillion and Counting (July 2015)

White Papers/Policy Briefs/ Fact Sheets

- Regulators Must Carefully Consider Benefits and Risks Of AI In The Financial Markets
- Fintech, Crypto, the Banking Industry, and Regulation
- The Unseen Banking Crisis Concealed Behind the Climate Crisis
- The Banking Regulators' Proposed Community Reinvestment Act Rule Will Not Work, But Dramatically Improving It Is Not Complicated

SEC Market Structure Reforms

- Fact Sheet: Crypto Industry Needs To Comply With Security Laws To Protect Investors And Markets
- Stop Speculators From Driving Gas Prices Higher and Ruining Summer Vacations
- Ten Actions Necessary to Prevent Large Bank Failures, Strengthen the Financial System, and Protect Main Street Families
- Report: Addressing Racial Economic Inequality Through the Banking System
- No Financial Crash Yet Thanks to Dodd-Frank and Banking Reforms
- The SEC's Whistleblower Program: A $2 Billion Success Story Under Threat
- Policy Brief: Stopping Wall Street's Derivatives Dealers Club
- The Key Changes that Seriously Weaken the Volcker Rule
- Credit Rating Agency Conflicts of Interest Again Fueling A Financial Crisis
- Money Market Funds Are Failing and Being Bailed Out Again, As They Were During the 2008" "Financial Crisis Just Twelve Years Ago
- The Hastily Proposed Covered Fund Proposal Would Permit, If Not Invite, Indirect Speculative Proprietary Trading
- Fact Sheet: Return of the CLO Attack on the Volcker Rule
- Fact Sheet: The CLO Debate Is Just the Latest Wall Street Attack on the Volcker Rule

WHAT THEY'RE SAYING

"We are proud to support Better Markets in its work to promote a fairer and more inclusive financial sector, which we see as a critical foundation of a more just and equitable capitalism. Better Markets works in the public interest to push regulators to prioritize the needs of working families and Main Street businesses in our economy, and they play a critical role as a counterweight to the lobbying power of the biggest Wall Street financial firms throughout the policymaking process. Their work is having a real impact on making our economy work better for everyone.

Chris Jurgens
Director, Reimagining Capitalism
Omidyar Network

"It's so important that more of us understand, that more of us read, and that more of us spend time with Dennis and Better Markets. Thank you for the importance of your work.

Sherrod Brown
Chairman, Senate Committee on Banking, Housing, and Urban Affair (D-Ohio)

"I am grateful for the fights that Better Markets has been in and for the changes you've been able to make. You are an important voice here in Washington.

Elizabeth Warren
U.S. Senator (D-Massachusetts)

"Thank you, Better Markets.

Barack Obama
Former President of the United States

"Since 2010, Better Markets has been a powerful and effective counterweight to Wall Street and the industry's too-big-to-fail banks. Here's to another 10 years of working toward a fair and equitable financial system for Main Street Americans.

Phil Angelides
Chairman of the Financial Crisis Inquiry Commission (2009-2011)

"Better Markets has served as a valuable and important voice pushing for fairness in our financial system.

Maxine Waters
Ranking Member, House Financial Services Committee Representative (D-California, 43rd District)

"They are the 'anti-lobbyists.' They speak the language of DC."

Joe Saluzzi
Co-Founder, Themis Trading

"Dennis Kelleher over at Better Markets, a huge presence in Washington, D.C. A nonprofit, of course, established to make finance and government serve society a little bit better.

Romaine Bostick
Host of "Bloomberg Markets: The Close"

"Better Markets churns out obsessively detailed rulemaking submissions to regulators...A flow of white papers and bulletins for policymakers and the press can be counted on to rebut the Wall Street line with credible collections of facts and arguments putting the banks' claims in context.

***Tailspin* by Author Steven Brill**

"Better Markets encourages a free flow of reform-minded ideals by bringing transparency and some small counterweight to the lobbying goliath of Wall Street.

Neil Barofsky
Former Special Inspector General, TARP

"Talk about David and Goliath. [Better Markets] is David, and they really are the only ones in many ways.

Ted Kaufman
Former U.S. Senator, D-Delaware
Former Head of the Biden Transition Team

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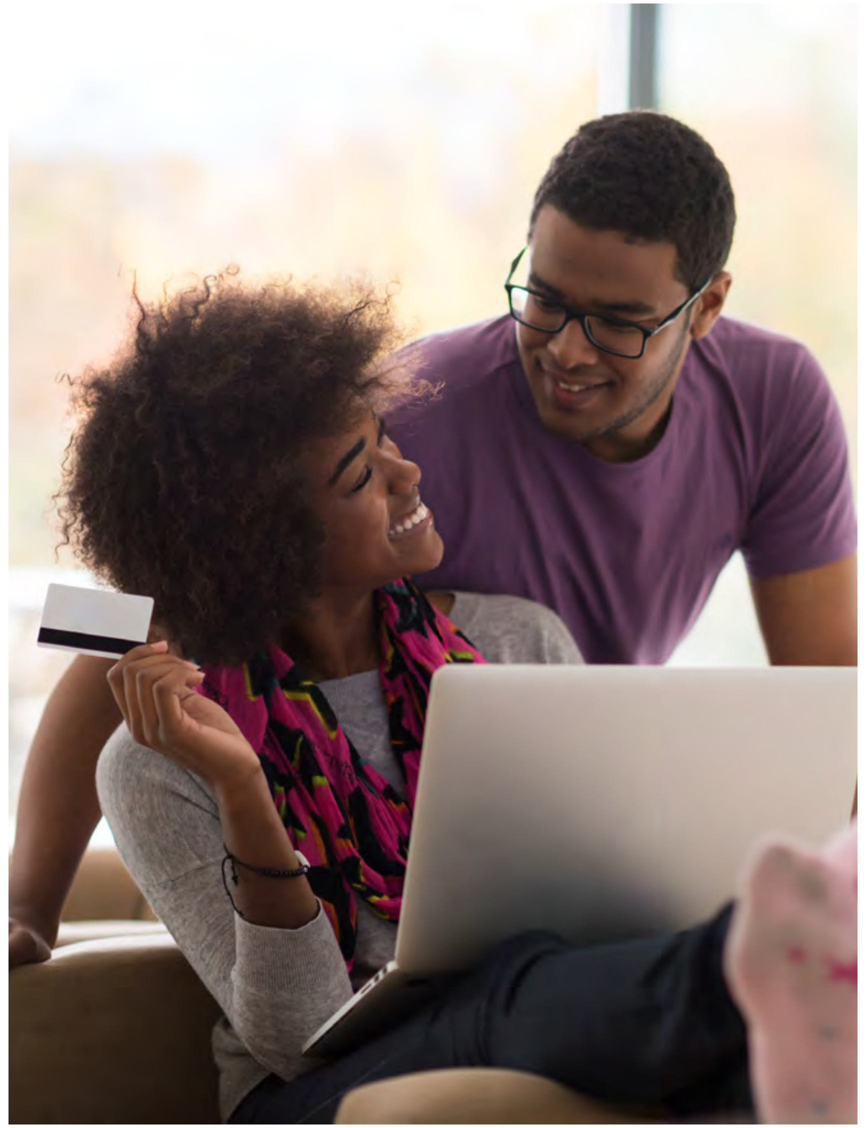

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BETTER MARKETS

Better Banks

Better Businesses

Better Economic Growth

Better Jobs

Better Lives

Better Communities

Better Markets is a non-profit, non-partisan, and independent organization founded in the wake of the 2008 financial crisis to promote the public interest in the financial markets, support the financial reform of Wall Street and make our financial system work for all Americans again. Better Markets works to restore layers of protection between hardworking Americans on Main Street and Wall Street's riskiest activities. We work with allies–including many in finance–to promote pro-market, pro-business and pro-growth policies that help build a stronger, safer financial system that protects and promotes Americans' jobs, savings, retirements and more.

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