BETTER MARKETS

2023

ANNUAL REPORT

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Message from CEO and Board Chair

MICHAEL W. MASTERS
Co-Founder & Chairman of Better Markets

DENNIS M. KELLEHER
Co-Founder, President & CEO of Better Markets

We founded Better Markets to fight for investor and financial consumer protections, ending financial crashes, and stopping Wall Street bailouts. We aim to create a financial system that supports the real economy, works for Main Street Americans, and produces broad-based financial security and wealth. That's what the 2010 Dodd-Frank financial reform law, passed after the devastating 2008 financial crisis, was supposed to do. Through the ups and downs since then, we are pleased to have played a key role in enacting many changes that have made the financial system safer and more stable, while enabling more Americans to pursue the American Dream.

Despite these accomplishments, the spring of 2023 was a stunning reminder that there is so much work left to do. The failures of Silicon Valley Bank, Signature Bank, and First Republic Bank and the resulting banking crisis was a galvanizing moment for our team and a stark illustration of why our work is so important. Putting profits above the public interest, too many in the financial industry are constantly working to undo and delay the reform of the financial system and convinced its allies in Congress and the Trump administration to pursue a policy of deregulation that nearly crashed the financial system and economy again.

We sounded the alarm about the threat to our banking system throughout the deregulation of the Trump administration, as the Biden administration took office, and in the months before the crash. We took no pleasure in being right, but the crash, contagion, and bailouts were predictable, and predicted by us and public servants like then-Fed Vice Chair Lael Brainard and FDIC Governor Marty Gruenberg. As the crisis unfolded and, in its aftermath, we provided real-time analysis of the causes and pushed policymakers and regulators to quickly enact real change to punish reckless bank executives and protect Main Street families from needless bank failures.

The 2023 regional banking crisis was just the latest reminder that there are still simply too few public interest-focused experts willing to speak the truth about the flaws in our financial system and the threat they pose to Main Street families. Your support allows us to have the independence to fearlessly speak truth to power and have the expert knowledge to be a substantive counterweight to the financial industry's arguments, access, and influence.

Dennis Kelleher with Congressmen Brad Sherman (D-CA) and Stephen Lynch (D-MA), and with CFPB Director Rohit Chopra at Better Markets' reception marking the 15th anniversary of the collapse of Lehman Brothers.

In 2023 your support was instrumental in helping us stand up to a plot to allow gambling on U.S. elections, shed light on a lawless crypto industry, advocate for rules that protect Main Street families, consumers, and investors, and highlight growing concerns about climate change and the looming threat to our financial system. Without your support, none of this would have been possible.

2024 is proving to be just as consequential. The banking industry continues its propaganda campaign against modest increases in capital requirements to protect our financial system and prevent more bank bailouts. The crypto industry is pushing regulators and your elected officials to enact their special interests in an attempt to profit from a dangerous and speculative product that has no legitimate use. And numerous federal agencies face relentless obstruction as financial industry lobbyists and their allies try to delay as many needed reforms as possible, hoping that they will be able to buy more industry-friendly officials in the 2024 election.

With your help, we are weighing in and making an impact on these issues every step of the way. Thank you again for your continued support and partnership in this important work.

Michael W. Masters
Chair and Co-founder

Dennis M. Kelleher
Co-founder, President and CEO

Dennis Kelleher, Again Named to *Washingtonian*'s 500 Most Influential People List

In April 2023, [Washingtonian Magazine]() named Dennis Kelleher as one of "Washington's 500 most influential people" for the 3rd year in a row.

> **"At a time when cryptocurrency regulation is being considered, Kelleher has stepped into the debate, warning that empowering the Commodity Futures Trading Commission with authority to regulate crypto would amount to a massive victory for cryptocurrency lobbyists because the CFTC is chronically underfunded."**

This is Dennis' third year in a row to be honored by the Washingtonian. In 2022, Dennis was one of 500 to be named as Most Influential in Washington, DC, saying he was one of the few not, "afraid to go against the grain in promoting the public interest."

2021

2022

2023

Better Markets Team Continues to Grow

In 2023, the Better Markets team continued to expand, including the additions of Shayna Olesiuk as Director of Banking Policy and Benjamin Schiffrin as Director of Securities Policy. Shayna and Ben bring extensive government experience from the FDIC and SEC, respectively.

They have already hit the ground running on key issues involving the banking sector and implementing financial protection rules.

Shayna Olesiuk
Director of Banking Policy

Benjamin Schiffrin
Director of Securites Policy

> *"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 better."*

ROMAINE BOSTICK

Host of "Bloomberg Markets: The Close."

Our Mission, Vision, and Values

MISSION

To fight for the economic security, opportunity and prosperity of the American people, particularly those who are disenfranchised, by working to ensure finance serves society, to enact economic and financial reforms to prevent another financial crash, to avoid the diversion of trillions of taxpayer dollars to bailing out the financial system, and to prevent the financial fraud and abuse that takes an enormous toll on countless hardworking Americans every year.

VISION

Protecting Americans' jobs, homes, savings, standard of living and retirements from an unbalanced, fragile economic and financial system that is too often tilted against Main Street families and enriches the already wealthy from high-risk activities with little or no social value.

VALUES

Better Markets supports pragmatic rules and a balanced banking and financial system that enables stability, growth and broad-based prosperity for all Americans, which will reduce inequality and make the American Dream available to all once again.

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 integrated, comprehensive Arc of Advocacy™, Better Markets' professionals apply their procedural and substantive expertise throughout the policy-making cycle to protect and promote the economic security, opportunity and prosperity of the American people, while holding 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, rather than enriching financers on Wall Street, destabilizing the financial system, draining pubic resources for their own benefit, and unleashing predators on consumers and investors.

Arc of Advocacy™: How a Law Becomes a Reality

***Schoolhouse Rock!* taught us how a bill becomes a law through the popular song "I'm Just a Bill." But what happens after that? A law becomes a reality through the rulemaking process. This process is more complicated and out of spotlight—where the financial industry thrives. Better Markets, as the voice of the public interest, is dedicated to seeing laws all the way through to implementation, and we get results with the Arc of Advocacy™ method.**

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, early-stage comment letters, online engagement, 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, speaks to experts, talks with allies, and confers with academics and members of 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 uphold it or find that it is substantively or procedurally flawed. Challenged rules are often stayed pending the outcome of the litigation.
- Better Markets considers filing its own challenge to a flawed rule.
- If the new rule is challenged in court by other parties, Better Markets evaluates the challenge and, if appropriate, supports the challenger or defends the rule agency and the process via amicus briefs and other advocacy

6 **Implementation And Interpretation:** The agency interprets and applies the rule. Often, it and provides guidance for those subject to the rule (and too often, it creates 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:** Sometimes, an 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 seeks to rolls it back or if there are attempts by Congress to weaken the rule inappropriately.

A few of the 45 issues and rulemakings we engaged with federal agencies on in 2023

SEC Market Structure Reforms Will Protect Retail Investors

The meme-stock trading frenzies highlighted longstanding market integrity and investor protection issues. The SEC has proposed reforms to address these issues and Better Markets' comment letters examined many nuanced and complex provisions that have an opportunity to make our markets substantially fairer & more transparent to the retail investor.

SEC Should Reject Bitcoin ETF Filings Because They Will Expose Investors to Fraud, Manipulation, and Other Investor Harms

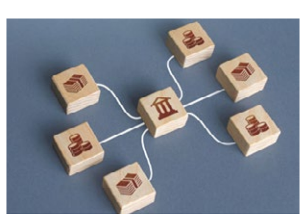
The crypto industry has suffered $2 trillion in losses; wild speculative volatility; multiple enforcement actions, bankruptcies, and criminal prosecutions; and dozens of lawsuits for lying, cheating, and stealing. All of that would likely increase and be made easier if the SEC approved a Bitcoin ETP, which would be based on the unregulated, manipulated, and fraud-filled spot market. Those are just some of the reasons our team asked the SEC to reject the Bitcoin ETF applications.

SEC's Predictive Data Analytics Rule Would Help Prevent Financial Firms From Using AI That Harms Investors

The push to incorporate AI into banking and other financial markets is intense. Without strong, forward-looking regulations in place, the dangers and abuses associated with AI could overshadow the gains it can provide. The SEC's proposed rule attempts to address these problems by requiring that investment advisers eliminate, or neutralize the effects of, the conflicts associated with the use of these technologies.

Improving Disclosures of Stock Buybacks Will Protect Investors

Stock buybacks, especially by the largest corporations, have increased dramatically in recent years and are a way for executives to line their pockets at the expense of the company, its employers, and its shareholders. Improving and expanding disclosures of stock buybacks will help investors better understand the impacts. Better Markets supports the SEC's proposed rule to modernize and improve disclosures about a company's share repurchases, or stock buybacks.



Bank Resolution Planning Must Be Strengthened to Prevent Another Crisis

In a crisis, large banks need to be resolved in the event of failure in a way that limits the spillover damage to Main Street families and businesses as well as limit the losses to the deposit insurance fund and taxpayers. The Fed and FDIC must do more to strengthen the bank resolution process.

Registry Will Help Investors Protect Themselves and Regulators Identify Bad Actors

The CFPB believes that nonbanks subject to enforcement orders pose ongoing risks to consumers. We agree, and the proposed Nonbank Registry will ensure that these risks are monitored and mitigated. Disclosures of stock buybacks will help investors better understand the impacts.

Greater Disclosure is Needed Around Fed Accounts

Access to the Fed's accounts and services is a special privilege that allows institutions to keep deposits at the Fed. The Fed should increase transparency for the American public about these accounts.

Growing Banking Crisis Means Consumers Need Stronger Protections Against False and Confusing Deposit Insurance Claims

We urged the FDIC to improve information and protections for consumers against false and confusing deposit insurance claims in advertisements, web pages, or other communications. The FDIC's final rule updates and strengthens rules to address misconduct by the crypto industry and any other firm that is misleading consumers by suggesting that their money is protected by FDIC deposit insurance when it actually isn't.

Climate Change Risks Building up in Big Banks Must be Tackled

Climate change is a serious, multi-faceted, and unprecedented threat to the nation, and financial institutions, including banks, are not exempt from this threat. The banking regulators issued guidance that integrates climate-related financial risk into the supervisory assessment process, but more is required to address the risks that climate presents for all banks and financial stability.

Federal Trade Commission's Proposed Ban on Non-Compete Clauses in Employment Contracts Will Promote Competition And Enable Workers to Get Better Jobs

The FTC seeks to ban non-compete clauses, including for senior executives, with few exceptions. The new rule would deem these restrictive clauses an "unfair method of competition," prohibiting them nationwide.

Crypto Platforms Must Fully Comply with the Securities Laws

The SEC's proposed rule will move our regulatory framework another step closer to full transparency, fair competition, and above all, stronger investor protections in the realm of exchanges and the associated activities of their broker-dealer operators, including cryptocurrency exchanges.

[FDIC Must Ensure Large Banks, Not Community Banks, Pay for the Losses to Deposit Insurance Fund Resulting From Recent Bank Failures]

The largest most systemically significant banks caused and benefited from the 2023 banking crisis. That's why big banks, not community banks, should be the ones to replenish the FDIC's Deposit Insurance Fund (DIF). The final rule approved by the FDIC achieved that goal.

[The CFTC Must Reject Kalshi's Dangerous Unlawful Sneaky Backdoor Attempt to Unleash $100 Million Bets Gambling on U.S. Elections]

The important markets regulated by the CFTC were not established to be a casino for gambling on American elections. We worked tirelessly to defeat Kalshi's proposal to allow gambling on elections, which the CFTC ultimately rejected.

[FSOC's Authority to Protect the Financial System and American People From Systemic Nonbank Threats Must be Reinstated]

The Financial Stability Oversight Council (FSCO) was weakened during the Trump administration and prevented from undertaking its vital work to identify, assess, and address the full range of financial risks that can threaten our country with catastrophe. We supported several proposals to strengthen FSOC's ability to identify and regulate nonbank threats to help prevent another financial crisis, and these were implemented.

[Better Markets Advocates for Proactive Risk Management in Financial Markets]

Effective risk management is crucial for swap dealers as it ensures the stability and integrity of financial markets. Beyond preserving their own financial well-being, prudent risk management serves as a linchpin for bolstering overall market confidence and resilience.

Legal Director and Securities Specialist Steve Hall taking part in a Consumer Federation of America Conference on Investor Protection in the Digital Age.

"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 scrutinize the more recondite details of US regulation, complaining, again rightly, that the rules have recently been watered down."

GILLIAN TETT
Financial Times

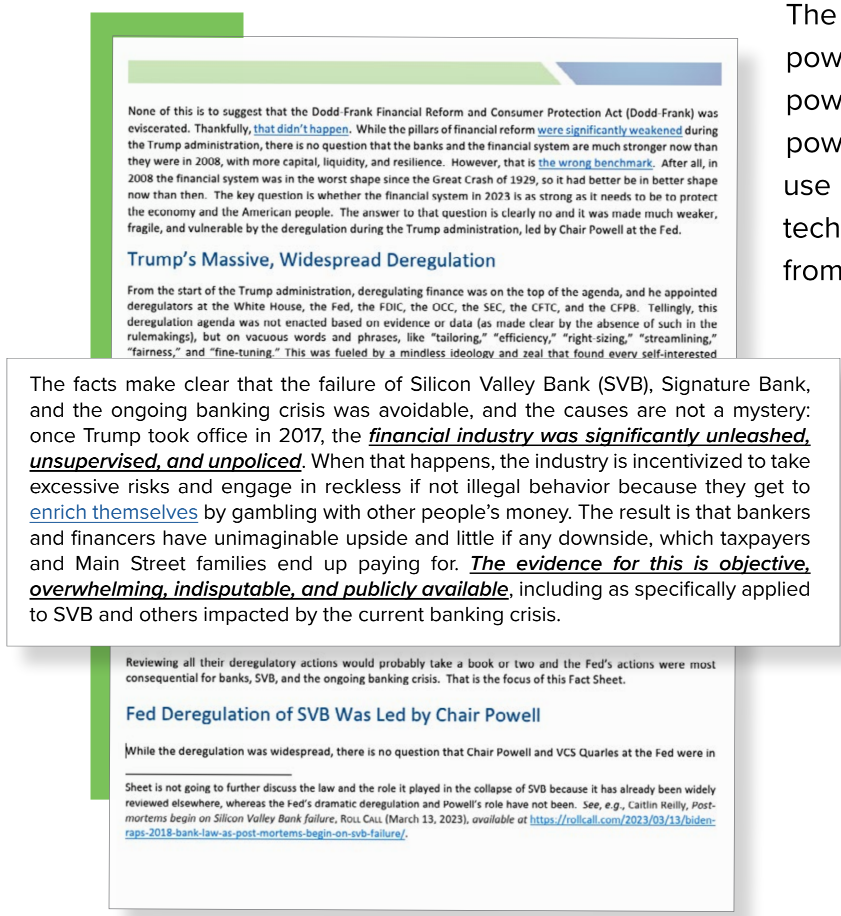
Speaking Truth to Power

“I never did give them hell. I just told the truth, and they thought it was hell.”

HENRY S. TRUMAN

Speaking the truth is not so simple in a town where special interests provide endless incentives for even well-meaning public servants to abandon their values for money, fear of retribution, or to stay in power. That’s why truly independent voices are needed in the halls of power to speak up for Main Street Americans.

In 2023, Better Markets remained an independent voice and steadfast cop on the Wall Street beat, countering and calling out the industry while pushing the interests of Main Street Americans to the top of the agenda. The Better Markets team fearlessly spoke truth to power, working to hold Wall Street financiers and their powerful allies accountable. This required taking on powerful public officials and special interests who use influence, tremendous amounts of money, and technical jargon to discourage Main Street Americans from trying to bring about positive change.



None of this is to suggest that the Dodd-Frank Financial Reform and Consumer Protection Act (Dodd-Frank) was eviscerated. Thankfully, that didn’t happen. While the pillars of financial reform were significantly weakened during the Trump administration, there is no question that the banks and the financial system are much stronger now than they were in 2008, with more capital, liquidity, and resilience. However, that is the wrong benchmark. After all, in 2008 the financial system was in the worst shape since the Great Crash of 1929, so it had better be in better shape now than then. The key question is whether the financial system in 2023 is as strong as it needs to be to protect the economy and the American people. The answer to that question is clearly no and it was made much weaker, fragile, and vulnerable by the deregulation during the Trump administration, led by Chair Powell at the Fed.

Trump’s Massive, Widespread Deregulation

From the start of the Trump administration, deregulating finance was on the top of the agenda, and he appointed deregulators at the White House, the Fed, the FDIC, the OCC, the SEC, the CFTC, and the CFPB. Tellingly, this deregulation agenda was not enacted based on evidence or data (as made clear by the absence of such in the rulemakings), but on vacuous words and phrases, like “tailoring,” “efficiency,” “right-sizing,” “streamlining,” “fairness,” and “fine-tuning.” This was fueled by a mindless ideology and zeal that found every self-interested

The facts make clear that the failure of Silicon Valley Bank (SVB), Signature Bank, and the ongoing banking crisis was avoidable, and the causes are not a mystery: once Trump took office in 2017, the ***financial industry was significantly unleashed, unsupervised, and unpoliced***. When that happens, the industry is incentivized to take excessive risks and engage in reckless if not illegal behavior because they get to enrich themselves by gambling with other people’s money. The result is that bankers and financers have unimaginable upside and little if any downside, which taxpayers and Main Street families end up paying for. ***The evidence for this is objective, overwhelming, indisputable, and publicly available***, including as specifically applied to SVB and others impacted by the current banking crisis.

Reviewing all their deregulatory actions would probably take a book or two and the Fed’s actions were most consequential for banks, SVB, and the ongoing banking crisis. That is the focus of this Fact Sheet.

Fed Deregulation of SVB Was Led by Chair Powell

While the deregulation was widespread, there is no question that Chair Powell and VCS Quarles at the Fed were in

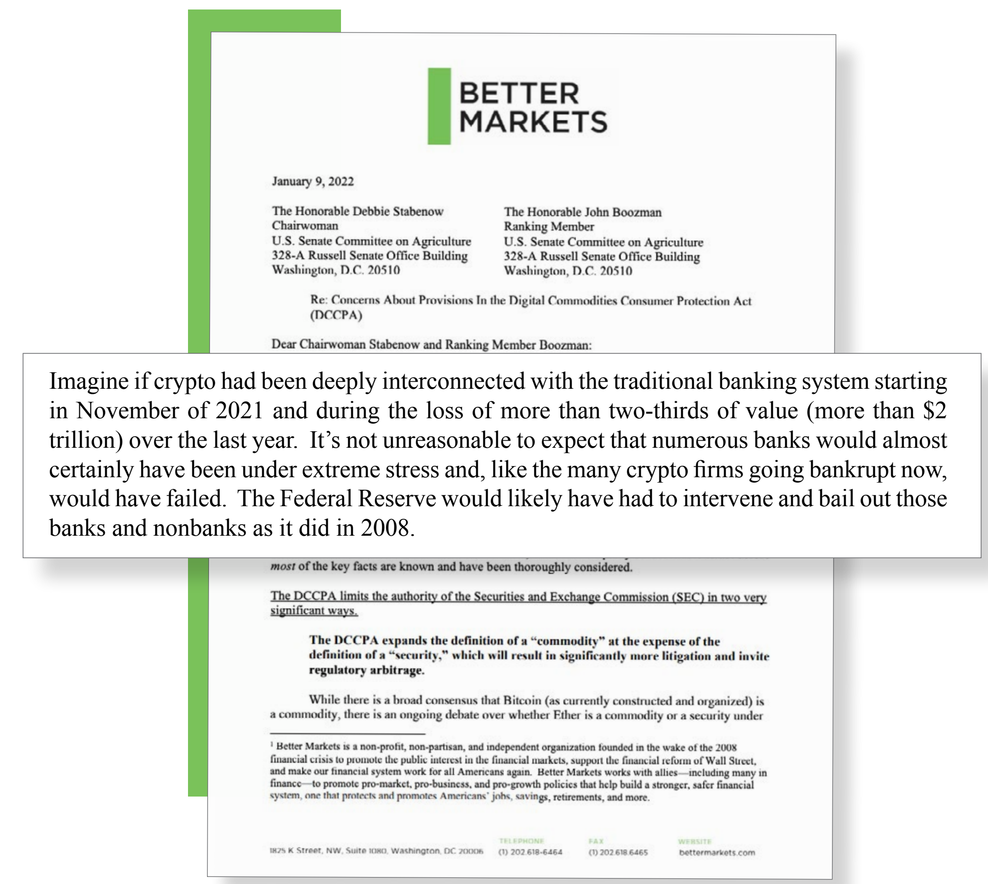
Sheet is not going to further discuss the law and the role it played in the collapse of SVB because it has already been widely reviewed elsewhere, whereas the Fed’s dramatic deregulation and Powell’s role have not been. *See, e.g.*, Caitlin Reilly, *Post-mortems begin on Silicon Valley Bank failure*, ROLL CALL (March 13, 2023), *available at* https://rollcall.com/2023/03/13/biden-raps-2018-bank-law-as-post-mortems-begin-on-svb-failure/.

This included taking on the Senate Agriculture Committee as it advanced crypto legislation advanced by now-convicted Sam Bankman-Fried and FTX, and calling out banking regulators for failing to take steps to avoid the 2023 banking crisis. We weren’t afraid to shine a light on a relentless lobbying campaign by Wall Street to mislead the public on capital and we continued to tell the hard truths about the lawless crypto industry and its willingness to rip-off hardworking Americans and enable criminals.

We also weren’t afraid to hold agencies like the SEC accountable by calling for an urgency to take on investor financial protection rules, including market structure reforms to protect retail investors.

Key Better Markets Materials that Speak Truth to Power

- Letter to Senators Debbie Stabenow and John Boozman: Re: Concerns About Provisions in the Digital Commodities Consumer Protection Act (DCCPA) (January 10, 2023)
- Report: Federal Reserve Deregulation Caused the Failure of Silicon Valley Bank and the 2023 Banking Crisis (March 27, 2023)
- Crypto Week of Truth (July 17-21, 2023)
- Fact Sheet: Ten False Claims About Capital (July 25, 2023)
- Comment Letters: SEC Market Structure Reforms (April 14 , 2023)



BETTER MARKETS

January 9, 2022

The Honorable Debbie Stabenow
Chairwoman
U.S. Senate Committee on Agriculture
328-A Russell Senate Office Building
Washington, D.C. 20510

The Honorable John Boozman
Ranking Member
U.S. Senate Committee on Agriculture
328-A Russell Senate Office Building
Washington, D.C. 20510

Re: Concerns About Provisions In the Digital Commodities Consumer Protection Act (DCCPA)

Dear Chairwoman Stabenow and Ranking Member Boozman:

Imagine if crypto had been deeply interconnected with the traditional banking system starting in November of 2021 and during the loss of more than two-thirds of value (more than $2 trillion) over the last year. It’s not unreasonable to expect that numerous banks would almost certainly have been under extreme stress and, like the many crypto firms going bankrupt now, would have failed. The Federal Reserve would likely have had to intervene and bail out those banks and nonbanks as it did in 2008.

most of the key facts are known and have been thoroughly considered.

The DCCPA limits the authority of the Securities and Exchange Commission (SEC) in two very significant ways.

The DCCPA expands the definition of a “commodity” at the expense of the definition of a “security,” which will result in significantly more litigation and invite regulatory arbitrage.

While there is a broad consensus that Bitcoin (as currently constructed and organized) is a commodity, there is an ongoing debate over whether Ether is a commodity or a security under

[1] 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 with allies—including many in finance—to promote pro-market, pro-business, and pro-growth policies that help build a stronger, safer financial system, one that protects and promotes Americans’ jobs, savings, retirements, and more.

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Silicon Valley Bank

When Silicon Valley Bank (SVB) collapsed in March 2023, it sent shockwaves through the financial system, leading to a regional banking crisis across the country. In the years before the crisis, we fought the deregulation juggernaut that weakened the banking system and sounded the alarm in our reports that the Federal Reserve's policies had created several significant risks in the financial system. Many of the risks we highlighted in numerous rulemakings and underscored in our Fed Instability Report would play a major role in SVB's collapse. Ultimately, the Spring 2023 banking crisis was a reminder of the persistence of too-big-to-fail (TBTF) financial institutions, the risks they pose, and the imperative that they be properly regulated to protect the American people.

In the days immediately following the crash of Silicon Valley Bank, Better Markets was a reliable, trusted, and authoritative resource to many, including the media where we were a fixture in their reporting on both the cause and fallout of the SVB's collapse.

In the weeks and months that followed, Better Markets worked to hold the Federal Reserve accountable, pointing out how its deregulation of the banks had played a key role in creating this crisis. We called on Congress to hold Chair Jerome Powell accountable and for him to take responsibility for his agencies mistakes when he appeared before them in June.

We worked to highlight the actions that must be taken going forward to prevent large bank failures from happening again. This included numerous published materials, such as our Bank Crisis Policy Brief that outlined 10 actions that regulators must take to prevent future failures. We also convened a webinar on the actions policymakers needed to take to address the baking crisis in May.

Dennis Kelleher explains regulators' failures on Silicon Valley Bank on ABC World News Tonight.

Simon Johnson, Professor of Global Economics & Management at MIT, moderates the Better Markets webinar "Bankers Behaving Badly: SVB, the Fed & FDIC Reports, and the Path Forward" on May 10, 2023.

Taking on the Bank Lobbyists on Capital

The truth is that the only thing standing between a failing bank and a taxpayer funded bailout is bank capital. Banks that are better capitalized are more capable of withstanding an economic downturn and continuing to lend. Banks that are undercapitalized, however, are more likely to fail and lead to financial panics as happened in 2008 and again in 2023.

We published a report identifying how insufficient capital requirements were one of the largest vulnerabilities in the financial system and encouraged regulators to implement the so-called Basel III Endgame. In July 2023, regulators did in fact propose that which included higher capital requirements and better ways to measure risk. However, despite the fact that SVB's collapse underscored the necessity of such sensible and, indeed, overdue rules, Wall Street's biggest banks and their allies were quick to launch a campaign against the rules on baseless claims. Throughout the year, we were on the front-line rebutting their falsehoods with facts and data.

> *"Because history proves that undercapitalized large banks pose such grave and grievous threats to the country, policymakers and financial regulators must require those banks to have sufficient capital to absorb the losses that their profit-making activities might cause."*
>
> DENNIS KELLEHER
> *Op-Ed in*
> AMERICAN BANKER

In August, Dennis Kelleher published an Op-Ed in American Banker with a title that likely provides the best overview of the current fight: Well-capitalized banks are good for everyone, except Wall Street CEOs. Throughout the year, we put out numerous fact sheets detailing the extent of Wall Street's false claims and later directly taking on their team of lobbyists and their massive media campaign, which even included advertisements during Sunday Night Football.

Key Better Markets Materials on Capital

- Op-Ed in American Banker by Dennis Kelleher: Well-capitalized banks are good for everyone, except Wall Street CEOs (August 9, 2023)
- Press Release: Fed/FDIC's Long Overdue Capital Requirements Proposed Today Are Welcome, But Quicker Action is Needed to Protect Main Street (July 27, 2023)
- Fact Sheet: Ten False Claims About Bank Capital (July 25, 2023)
- Press Release: Fed Vice Chair Barr is Right: Increased Capital Requirements Are Needed to Prevent Financial Crashes and Protect Main Street Families and the Economy (July 10, 2023)
- Letter to Fed Chair Jerome Powell: Re: Capital, the Vice Chair for Supervision, and the March 3, 2023 Letter from Ten Republicans on the Senate Banking Committee (March 6, 2023)

Stakes are Too High to Allow Gambling on U.S. Elections

In 2023, Better Markets closely watched KalshiEX, LLC's ('Kalshi') attempt to get the CFTC to allow traders to bet on U.S. elections via so-called "event contracts." Based on the law, public policy, and the facts, the CFTC rejected this request and protected democracy, markets, and investors. Kalshi then filed a lawsuit against the CFTC and the case is currently pending in the courts. Better Markets has made several key points about Kalshi's dangerous proposal and lawsuit.

- The law expressly prohibits 'gaming' contracts like the one proposed and, therefore, the CFTC should reject Kalshi's request. The law also requires the CFTC to reject contracts that are illegal under state law, and more than a dozen states protect the integrity of elections by outlawing gambling on elections.
- Democracy and elections are foundational principles for the country and are not appropriate subjects for gambling and betting. Just as we would not allow traders to place bets on when or where they believe the next school shooting will occur, so too must we protect our elections by refusing to allow gambling on our democratic process. Also, gambling on elections would be susceptible to manipulation and could incentivize people to engage in improper if not illegal conduct that could raise concerns about the integrity of the electoral process.
- The proposed contract is also another example of the deeply troubling trend toward the 'gamification' and 'retailization' of finance. In this increasingly common pattern, everyday investors are lured into new financial products and services, justified by claims that the offerings represent beneficial 'democratization' and 'innovation.'

Better Markets vigorously fought Kalshi's proposal over the last two years. We sent detailed comment letters to the CFTC petitioning them to reject Kalshi's bid. We also brought together a diverse coalition of partner organizations and lawmakers to speak out against gambling on elections. This included organizations like Americans for Financial Reform, Public Citizen, the Revolving Door Project, and more. We 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. Sen. Jeff Merkley (D-OR) went a step further and published an op-ed in MSNBC.

These efforts paid off in September 2023. The CFTC made the right decision and rejected Kalshi's proposal, citing many of the same concerns we identified. But the story isn't over yet. On November 1, 2023, Kalshi filed a challenge to the CFTC's denial in the U.S. District Court for the District of Columbia.

Key Better Markets Materials

- Press Release: Kalshi's Lawsuit Against the CFTC for Denying its Proposal to Unleash Gambling, Endanger Democracy, and Upend Commodities Markets, Lacks Merit (November 1, 2023)
- Press Release: CFTC Properly and Wisely Rejects Kalshi's Illegal, Sneaky Backdoor Proposal to Allow Gambling on Elections, Incentivizing Election Interference (September 22, 2023)
- Article in The New York Times: Proposal to Expand Political Betting Could Up the Ante on Control of Congress (August 24, 2023)
- Dennis Kelleher Op-ed in the Hill: The stakes are far too high to allow gambling on U.S. elections (July 25, 2023)
- Joint Letter Led by Better Markets Opposing Kalshi's Proposal (July 24, 2023)
- Comment Letter: The CFTC Must Reject Kalshi's Dangerous Unlawful Sneaky Backdoor Attempt to Unleash $100 Million Bets Gambling on U.S. Elections (July 24, 2023)
- Letter to CFTC: Concerns Over Kalshi's Proposal and the Upcoming Open Meeting (June 23, 2023)

by Carl Hulse

The New York Times

August 24, 2023

Wanna Bet on Control of Congress?

"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."

The Unseen Banking Crisis Concealed Behind the Climate Crisis

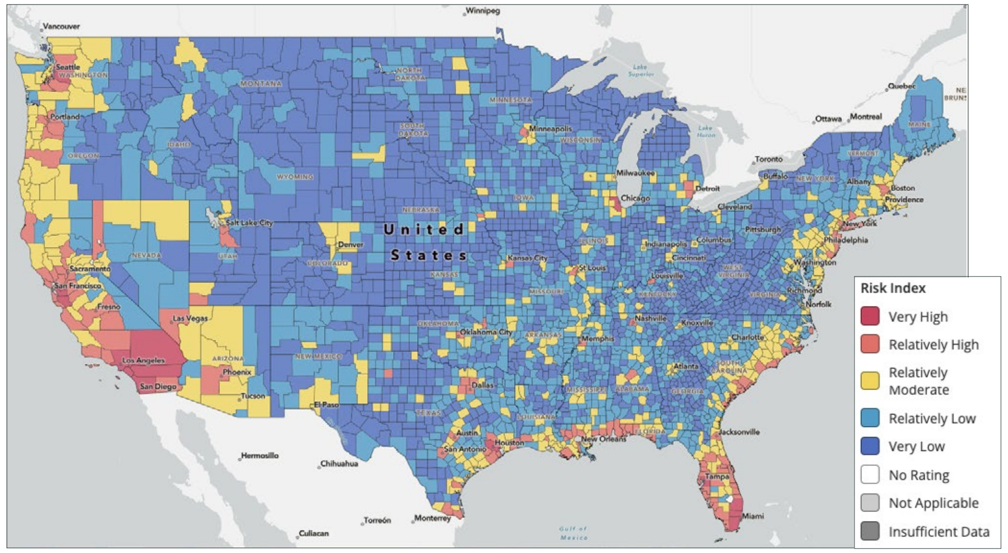
There's a major untold story behind the climate crisis: today's climate disaster is tomorrow's banking crisis. Every year we see sobering headlines about worsening wildfires, higher temperatures, rising sea levels, and more. However, these warnings aren't just limited to the climate crisis; they also extend to financial system. Both large and small banks are increasingly exposed to climate-related financial risks because of their portfolios of real estate, small business, and consumer loans. Furthermore, banks are also vulnerable to increasing risk from climate related events when borrowers and their collateral are underinsured, or worse, uninsured.

In recent years, climate-related financial losses have been measured in the tens of billions of dollars. As a result, many insurance firms are shutting down or exiting from some of the most vulnerable areas of the US, particularly Florida and California. However, these exits from the market and attempts by insurance companies to limit their losses haven't removed the risk, rather it has just concentrated the risk at banks, or shifted it to Main Street consumers and businesses.

Our August 2023 report, The Unseen Banking Crisis Concealed Behind the Climate Crisis, explored these urgent issues and called for regulators and policymakers to take action.

In 2023, Better Markets also continued to highlight 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. It's our view that banks and other financial institutions have not been doing enough to manage and account for the risks of climate change or to support the transition towards a more sustainable economy. Our work pushed policymakers and regulators to address these issues and pushed back against relentless financial industry opposition to reasonable proposals to protect investors and our climate.

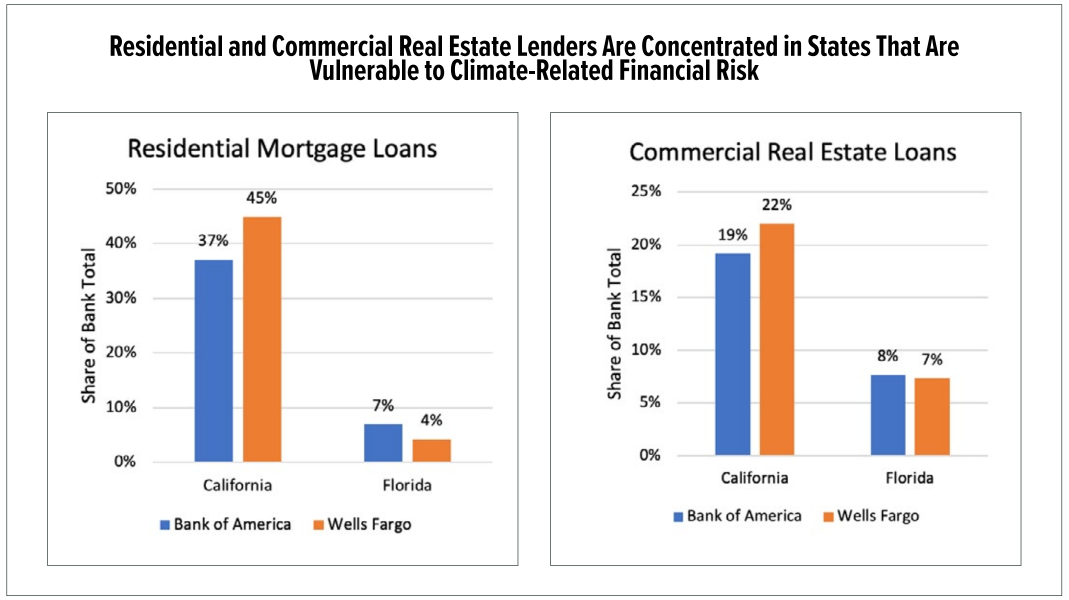
Map: Florida and California Are Most Vulnerable to Climate Risk



Source: FEMA National Risk Index (https://hazards.fema.gov/nri/map), a measure of vulnerability to 18 different climate risks.

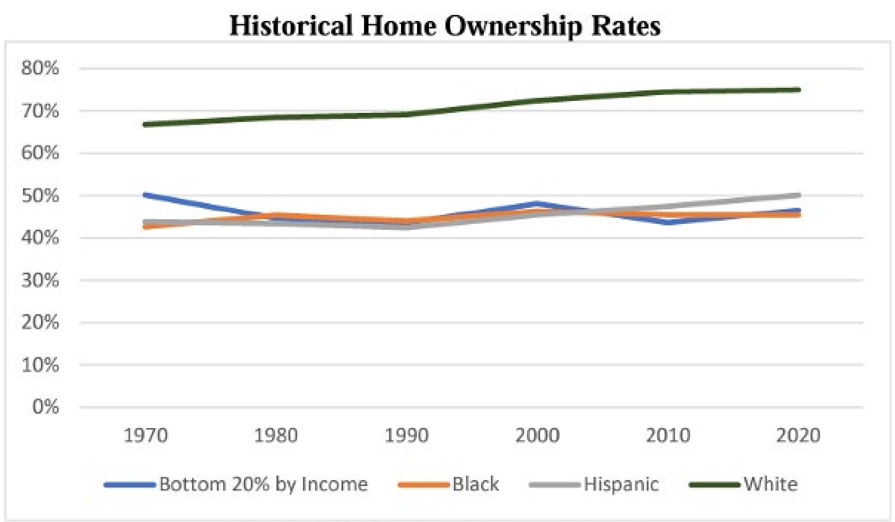
Key Better Markets Materials on Climate

- Joint Letter to OMB urging increased data collection to address the growing impact of climate change on insurance: Climate-Related Financial Risk Data Collection (December 5, 2023)
- Press Release: We Welcome the FDIC, Federal Reserve, And OCC's Climate-Related Financial Risk Management Guidance, But Stronger Action is Needed and Long Overdue (October 24, 2023)
- Press Release: SEC's Strong Enhancements to "Names Rule" Will Protect Investors from Greenwashing (September 20, 2023)
- Article by Stephen Hall in Environmental Law and Policy Annual Review: Regulation of ESG Investing is Still Necessary (August 1, 2023)
- Fact Sheet: Politics Aside, Banking Regulators' Risk Analysis Must Include the Many Well-Known Climate-Related Financial Risks (July 17, 2023)
- Fact Sheet: ESG Investing is Here to Stay (July 11, 2023)
- Blog post about panel at the CFA Institute Climate Risk and Returns Conference featuring Stephen Hall: ESG Market Regulation will Help Protect Investors (May 3, 2023)
- Comment Letter: Better Markets Supports the Federal Reserve's Climate-Related Principles, but it Should Do More (February 6, 2023)



Fixing the Community Reinvestment Act (CRA)

In 1977, Congress passed the Community Reinvestment Act with the goal of addressing decades of redlining that closed off the financial system to low- and middle-income communities, particularly minority communities. This history has led to a persistent racial wealth gap, closing off homeownership, generational wealth, and more for tens of millions of Americans. Although the CRA was passed decades ago, very little has changed.



Source: U.S. Census Bureau decennial surveys

Moreover, despite the fact the racial wealth gap hadn't closed at all, banks have continued to receive passing CRA scores, which measure whether financial institutions are meeting their lending obligation to minority communities.

As a result, federal banking regulators announced in 2022 that they would modernize the CRA. However, in their proposal one glaring issue stood out, the regulators failed to undertake any statistical analysis of Federal Reserve data. Why this was omitted remains a mystery to us. Nonetheless, we performed our own extensive analysis, and our results led to one clear conclusion: the proposed revision of the CRA would not work but improving it wouldn't be difficult.

In a September policy brief we outlined core problems with the way CRA scores were assessed. Unfortunately, the new proposals failed to address these problems. It will likely continue to miss classic cases of redlining and enable banks to continue getting high if not perfect CRA ratings while continuing to reduce lending to low- and moderate-income communities.

We will continue advocating for these changes, as regulators and lawmakers must play a greater role in addressing persistent racial economic inequities in our economy.

Key Better Markets Work on the Community Reinvestment Act

- SubStack: How We Can Fix the CRA and Actually Address Discrimination in Banking and Homeownership (October 12, 2023)
- Policy Brief: The Banking Regulators' Proposed Community Reinvestment Act Rule Will not Work, But Dramatically Improving It is Not Complicated (September 18, 2023)
- Comment Letter: Supplement Filing Regarding the CRA Proposed Rule Reviewing Fed Data Demonstrating that the CRA Rule Will Not Work and Redlining Will Continue (August 7, 2023)

The Truth on Crypto

In 2023 the crypto industry continued adding to its exceedingly long rap sheet of criminal convictions, bankruptcies, lawsuits, and scandals. Sam Bankman-Fried is headed to prison, ransomware attacked facilitated by crypto are on the rise, and consumers and investors continued to be ripped off by the industry. Unfortunately, with the help of millions in campaign contributions, lobbying expenses, and relentless public relations campaigns, the industry has continued to push crypto's priorities at the top of the policy and regulatory agenda.

Just as when we rejected FTX's bribe of $1 million or more, Better Markets continues to stand against the crypto tidal wave of money and the industry's efforts to intertwine the dangerous world of crypto with our entire financial system.

2023 further saw lawsuits against some of the biggest crypto enterprises, such as Binance, as well as reports emerging that underscored the role these securities play in facilitating illicit finance and even terrorism. Nonetheless, lawmakers have been quick to turn a blind eye.

So, when the crypto industry held their "Stand with Crypto Day" on July 19th, our team responded with our own Crypto Week of Truth. During that week, we underscored the pattern of lies and lawlessness the crypto industry has left it in its path, their massive lobbying and influence campaign that has grown to the hundreds of millions, told the story on how criminals have benefited tremendously from the proliferation if digital assets, and more.

Our work didn't stop there. We pointed out the crypto industry's false claims that their products needed new legislation because they were almost entirely covered by existing, longstanding laws. Thus, the most important priority was to ensure that the industry complied with current securities law. Moreover, when Coinbase put out clearly false claims that 52 million Americans owned crypto, we not only proved it was false, but pushed the media to stop citing their research.

Key Better Markets Work on Crypto in 2023

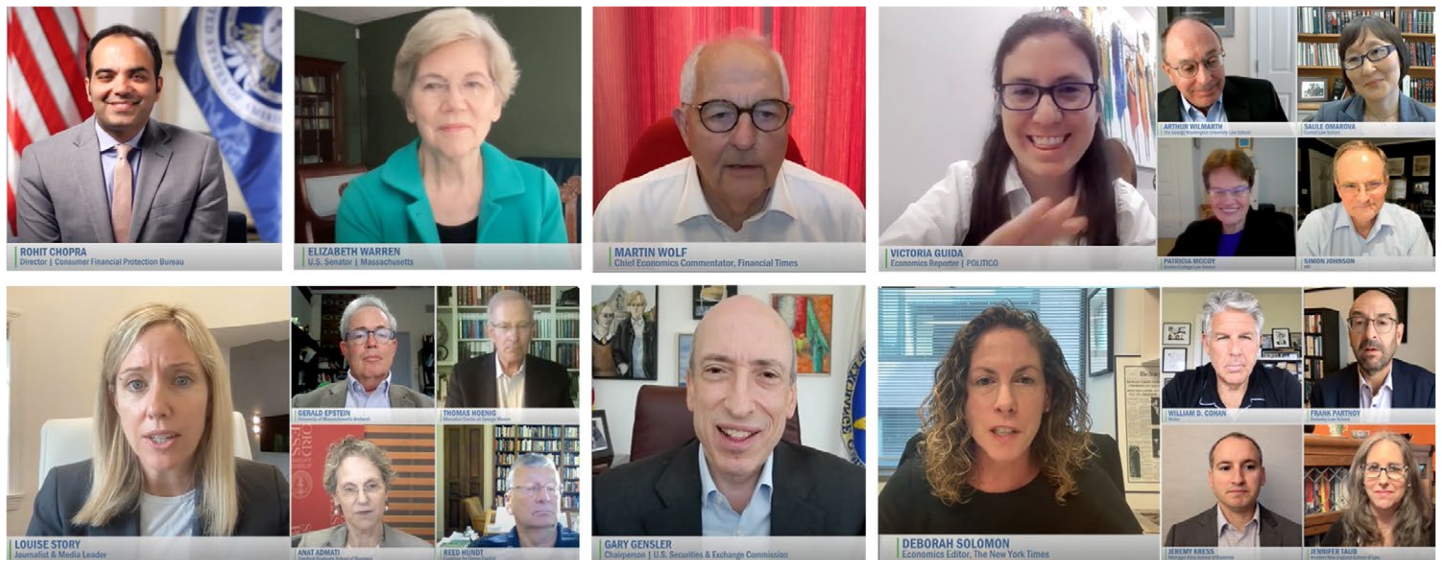
- Report: The SEC'S Excellent Record on Crypto: Regulation and Enforcement (January 25, 2023)
- Press Release: 10 Reasons Not to Enact Crypto's Special Interest Bailout Bill (November 29, 2023)
- Press Release: FTX's Former CEO Sam Bankman-Fried's Criminal Conviction Exposes the Dangers of the Lawless Crypto Industry that Must be Stopped (November 2, 2023)
- Fact Sheet: The Reality Behind the Myth of Transparent Blockchains (October 25,2023)
- Comment Letters: The SEC Should Reject Bitcoin ETF Filings Because They Will Expose Investors to Fraud, Manipulation, and Other Investor Harms (August 9, 2023)
- Fact Sheet: "Un" Stablecoins and Risks to Investors, Consumers, and Economic Productivity (May 17, 2023)
- Fact Sheet: Crypto, FTX, Sam Bankman-Fried, SEC, CFTC, Banking Regulators and the Revolving Door (March 8, 2023)
- Press Release: Key Questions for the CFTC Chair at the Senate Agriculture Committee Hearing on Crypto, FTX, DCCPA, Commodities, and More (March 7, 2023)

Dennis Kelleher details FTX's attempted bribe of Better Markets in the 2023 Bloomberg Documentary "Ruin."

Better Markets webinar "The Future of Crypto Regulation" examines how the crypto industry is currently regulated, how it wants to be regulated, proposals to change the regulation of crypto, and the crypto industry's influence campaigns.

Lehman Conference

September 2023 marked 15 years since the 2008 Financial Crisis. We all remember the trillions in bailouts, the financial panic, the housing crisis, the huge loss of economic wealth, the overall panic, and more. Since then, we have come a long way, but it is also clear that much more needs to be done. The 2023 regional banking crisis was a reminder of the continued risks we face from Too-Big-To-Fail. To commemorate the progress made and the significant amount of work left, Better Markets hosted a virtual conference on the anniversary of the Lehman Brothers Collapse.



We were fortunate to have a wide range of guests, from lawmakers and regulators to academics and former Wall Street Bankers, who came together with the purpose of highlighting the progress that has been made and what more must be done to finally end TBTF and make our financial system work for Main Street. Our guests included Senator Elizabeth Warren (D-MA), CFPB Director Rohit Chopra, SEC Chair Gary Gensler, and Chief Economics Commentator for the Financial Times Martin Wolf.

"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

US Senator (D-MA)

SEC Market Structure Reforms

It's been more than two years since the "meme stocks" trading frenzy happened in January 2021. However, the time that has passed should not diminish the very clear issues that the volatile market activity of the time underscored. Issues underlying our markets, such as wasteful and needless fragmentation, harmful practices related to payments for order flow, transparency in broker-client trade executions, and more, became well apparent.

Since 2021, we have been one of the few organizations on the frontlines of this issue, urging regulators to propose market structure reforms so that Main Street and Americans are better protected. On December 14, 2022, the SEC took a major step in addressing long-standing equity market structure issues by proposing a set of four reforms intended to improve the way securities trades are routed and executed. Throughout 2023, Better Markets advocated for these reforms, including by submitting comment letters on each:

- Regulation Best Execution
- Order Competition Rule
- Minimum Pricing Increments, Access Fees, and Transparency of Better Priced Orders
- Disclosure of Order Execution Information

Taken together, these proposals represent a substantial step towards improving the fairness and transparency of our securities markets while protecting retail investors from potential exploitation.

However, although the comment periods for these rules ending in 2023, the SEC failed to finalize them over the year. Better Markets has, nonetheless, remained committed to advocating at the SEC to finalize their proposals. This included a fact sheet in June where we outlined the importance of each individual proposal while urging regulators to reject industry calls for burdensome, biased, and counterproductive cost-benefit analysis that is not well suited to financial regulation and not required by the law. This was in addition to our numerous comment letters on the issue.

We remain committed and hopeful that in 2024 the SEC will finally implement these rules.

Fact Sheet: SEC Market Structure Reforms

Stronger Together

In 2023, we worked frequently with numerous other nonprofits, advocates, academics, and financial firms on many regulatory issues and court cases. We worked with allies to promote policies that helped build a stronger, safer economic and financial system that protects Americans' jobs, savings, retirements, and more. As our work expands and deepens on issues such as ESG, racial economic inequality, and cryptocurrency, we are force-multiplying the knowledge, expertise, and connections of our partners to make an even greater impact.

- We brought together a diverse coalition of partner organizations and lawmakers to speak out against gambling on elections. This included organizations like Americans for Financial Reform, Public Citizen, the Revolving Door Project, and more. We also 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. Sen. Jeff Merkley (D-OR) went a step further and published an op-ed in MSNBC.

PRESS RELEASES

July 24, 2023

MEMBERS OF CONGRESS, HUNDREDS OF ADVOCACY GROUPS, EXPERTS AND CITIZENS CALL ON CFTC TO REJECT KALSHI'S DANGEROUS ATTEMPT TO ALLOW GAMBLING ON U.S. ELECTIONS

- Through the Save Our Retirement Coalition we worked with AARP, AFL-CIO, AFSCME, Americans for Financial Reform, Center for American Progress, Consumer Federation of America, Economic Policy Institute, and Pension Rights Center, to push the Biden administration and Congress to propose new rules to protect the retirement savings of millions of Americans.
- In a joint comment letter with the American Economic Liberties Project , Consumer Reports, and other advocates, we supported the Consumer Financial Protection Bureau's (CFPB's) proposed rulemaking protecting Personal Financial Data Rights.
- Better Markets joined an amicus brief led by Lawyers' Committee for Civil Rights Under Law in the U.S. Supreme Court case CFPB v. Community Financial Services Association of America. In the brief, we argued that minority groups stood to suffer the most if the CFPB was weakened.

Dennis Kelleher with European Union Commissioner for Financial Stability, Financial Services and Capital Markets Mairead McGuinness.

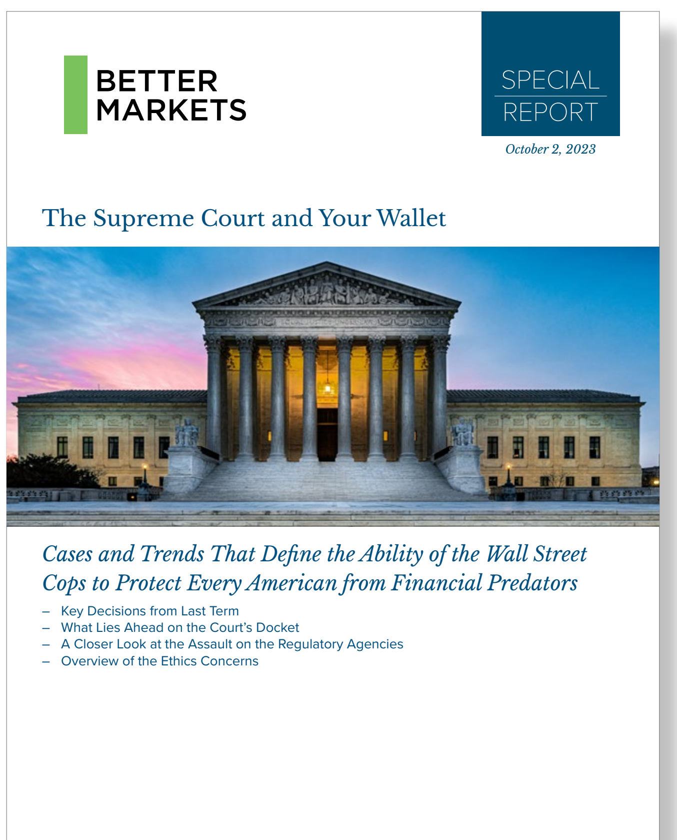
Better Markets Staff Meeting with Representatives from the EU Parliament.

Monitoring the Markets in the Courts

Every year, the federal courts confront and decide a significant number of legal issues that directly impact the economic and financial well-being of all Americans. The cases are related not just to financial regulation but also to administrative law and even constitutional law. But whatever the particular body of law is involved, these cases can have a huge impact on kitchen table issues, including the amount of money Americans are able to earn, spend, save, invest, and set aside for retirement.

For example, almost everyone in the country has a checking or savings account, debit or credit card, or a loan of some type and is therefore a financial consumer. Courts decide how much protection these financial consumers receive under the law: how broadly the financial laws are applied, whether agencies will have the tools they need to combat fraud, and whether investors will have a meaningful remedy in court when they are victimized or will instead be thrown into a pro-industry, secretive arbitration proceeding.

Better Markets is in court standing up for financial consumers, investors, financial stability, and the integrity of the financial markets that help grow the economy and enable Main Street Americans to meet their financial needs and plan for a dignified retirement. We track the key cases in the courts, highlighting those of special importance in our monthly newsletter. We also file amicus curiae or "friend of the court" briefs urging courts to consider the public interest, the plight of investors and consumers, and the need to make our markets as fair, transparent, and stable as possible. And we prepare special reports on the cases that have the widest and broadest impact, which are those issued by the U.S. Supreme Court.


BETTER MARKETS

SPECIAL REPORT

October 2, 2023

The Supreme Court and Your Wallet

Cases and Trends That Define the Ability of the Wall Street Cops to Protect Every American from Financial Predators

- Key Decisions from Last Term
- What Lies Ahead on the Court's Docket
- A Closer Look at the Assault on the Regulatory Agencies
- Overview of the Ethics Concerns

Supreme Court Report

Each term, the U.S. Supreme Court decides cases that have a profound impact on the financial well-being of every American who is working, saving, and investing for a better standard of living and a decent retirement. Those decisions tend to be overshadowed by the Court's more headline-grabbing pronouncements that address high profile, controversial social policy questions surrounding abortion, gun control, and others. Those are unquestionably important cases, but all Americans also have a big stake in the Supreme Court's decisions impacting the economy and financial system. Anyone who relies on a financial product or service—a checking account, credit card, mortgage, student loan, car loan, retirement plan, college savings fund, or brokerage account—is impacted by almost every Supreme Court term. Those are the cases our team tracks in our Supreme Court Report.

Key Better Markets Legal Work in 2023

Amicus Brief: *Robinhood Financial LLC v. Galvin*, supporting the Commonwealth of Massachusetts (April 14, 2023)

- The Massachusetts Secretary of the Commonwealth issued a regulation to force stockbrokers to be prudent and loyal when recommending investments to retail investors. Rather than embracing that high standard, Robinhood sued to block the rule. Better Markets filed an amicus brief to support Massachusetts and the rule which is an important investor protection.

Amicus Brief: *National Association of Private Fund Managers v. SEC*, supporting the SEC. (December 22, 2023)

- The SEC implemented important reforms in the private funds market against the industry's relentless effort to preserve its shadowy, unfair, and often predatory practices. Better Markets supports the SEC in this lawsuit.

Joint Amicus Brief: *Macquarie Infrastructure Corp. v. Moab Partners, L.P.* to the U.S. Supreme Court (December 21, 2023)

- This brief was led by the American Association for Justice and Public Justice and joined by Better Markets and the Consumer Federation of America.
- The brief supports investors claiming they suffered damages after a company deliberately and repeatedly failed to disclose important information about its business prospects in reports required to be filed with the SEC. Omissions of material information can be just as damaging to investors as outright lies and the law should protect investors from both forms of deceit.

Amicus Brief: *Stevenson v. Thornburgh*, a class action lawsuit against Credit Suisse, its auditor and its directors (October 30, 2023)

- For more than a decade, Credit Suisse allegedly engaged in a breathtaking series of unlawful schemes, from bank and wire fraud to money laundering and aiding tax evaders. In our brief, we support the shareholders who are seeking to hold the bank, its directors, and its auditor accountable and recover their losses.

Joint Amicus Brief: *Laydon v. Cooperatieve Rabobank U.A.*, in the U.S. Supreme Court (August 29, 2023)

- Better Markets, the Consumer Federation of America, and the Institute for Agriculture and Trade Policy urged the Supreme Court to review and reverse a lower court decision that dramatically limited protections against manipulation in the commodity markets.

Amicus Brief: *Chamber of Commerce v. SEC*, supporting the SEC (August 16, 2023)

- The SEC adopted a rule requiring public companies to provide investors with important information about a company's repurchase of its stock. Stock buybacks have grown substantially in recent years, and investors are entitled to know when and why management is engaging in these transactions.

Despite the importance of this information to investors, industry challenged the rule on the grounds that it violates the First Amendment and that the SEC failed to conduct what is in reality an impossible economic analysis. Our brief establishes that these attacks are baseless.

Joint Amicus Brief: *Murray v. UBS Securities LLC*, in the U.S. Supreme Court (July 6, 2023)

- With the Anti-Fraud Coalition and The National Employment Lawyers Association, we argued that whistleblowers must be protected, and the Court should restore the safeguards against whistleblower retaliation that the Second Circuit eroded in its decision placing additional burdens of proof on victims of retaliation.

Amicus Brief: *CFPB v. Community Financial Services Association of America* (May 15, 2023)

- Better Markets joined an amicus 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's funding and highlighting the valuable role of the CFPB in fighting racial economic injustice.

Our team also tracks many important case in our monthly newsletter.

PRESS RELEASES

May 15, 2023

SIDELINING OR WEAKENING THE CFPB WILL HURT ALL FINANCIAL CONSUMERS, BUT PEOPLE OF COLOR STAND TO SUFFER THE MOST

By the Numbers

54 COMMENT LETTERS

17 FINAL RULE MENTIONS

17 LETTERS

8 COURT FILINGS

1 TESTIMONY

78 MEETING & EVENTS

15 REPORTS

25 FACT SHEETS

4 BLOG POSTS/MEMOS

12 NEWSLETTERS

158 PRESS RELEASES

5 OP-EDS

1,358 MEDIA QUOTES

11 TV/VIDEO APPEARANCES

3 RADIO/PODCAST 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.

Bloomberg
POLITICO
THE WALL STREET JOURNAL. WSJ
MarketWatch
REUTERS
The Washington Post
The New York Times
BANKING DIVE
abc NEWS
LAW360
The Boston Globe
CNBC
THE HILL
AMERICAN BANKER
FT FINANCIAL TIMES
HUFFPOST
Roll Call
THE AMERICAN PROSPECT
LA Times
CoinDesk

Our Experts Quoted Far & Wide

FT FINANCIAL TIMES

Wall Street watchdog floats plan to let brokers promise future results

"But **Stephen Hall**, legal director of Better Markets, which lobbies for investor protection, said: "Using projections is one of the easiest ways to mislead people. It's easy for people to think the result is guaranteed. [Finra] are really opening a can of worms."

CoinDesk

Cathie Wood's Ark 21Shares Bitcoin ETF Application Decision Pushed out by SEC

"However, **Scott Farnin**, the legal counsel at consumer advocacy group Better Markets, said in a statement ahead of the SEC's decision that the regulator should reject the bitcoin ETF applications outright, saying the survelliance-sharing agreements set up in the proposals were "wholly inadequate."

REUTERS

Regulators seize First Republic Bank, sell assets to JPMorgan

Dennis Kelleher, CEO of Wall Street reform group Better Markets, said the auction's outcome showed "unhealthy consolidation, unfair competition, a dangerous increase in too-big-to-fail banks—all while haring community banks, small business lending, and economic growth."

THE AMERICAN PROSPECT

Democrats Ask Biden Financial Regulator to Reverse Industry-Friendly Derivatives Policy

Cantrell Dumas, Better Markets director of derivatives policy, opposed the rule, explaining that chipping away at the Dodd-Frank regulatory structure may not be felt immediately but could have long-term consequences. He sees it as part of an industry effort to gut Dodd-Frank that has been an ongoing battle since the law's adoption.

"This rule is like a slow death by a thousand paper cuts, or a game of Jenga, where you pull out one piece and the whole financial structure is shakier," said Dumas.

FT FINANCIAL TIMES

[Fund industry braced for SEC crackdown on deceptive product labels]

"The names rule is a core investor protection disclosure rule that seeks to ensure that investors are not misled by the labels attached to funds. It's overdue for an update," said Stephen Hall, legal director of Better Markets, which lobbies for increased investor protection. "Investors often rely on a fund's name when making investment decisions."

POLITICO

[A stablecoin blindspot?]

Better Markets legal counsel **Scott Farnin** warned against the rush to embrace the industry: "Regulators and policymakers should first be asking themselves and debating whether or not regulating stablecoins as a payment mechanism is in the best interest of the American people and the economic effects of such a drastic shift in U.S. financial policy instead of racing to regulate them as something they are not."

The New York Times

[The Fed's Vice Chair for Supervision Suggests Big-Bank Regulation Changes]

Dennis Kelleher, "We're not going to know how significant these changes are until the lengthy rule-making process plays out over the next couple of years," said Dennis Kelleher, the chief executive of the nonprofit Better Markets.

Mr. Kelleher said that in general Mr. Barr's ideas seemed good, but added that he was troubled by what he saw as a lack of urgency among regulators.

"When it comes to bailing out the banks, they act with urgency and decisiveness," he said, "but when it comes to regulating the banks enough to prevent crashes, they're slow and they take years."

Los Angeles Times

It's hard to understand how people who sell themselves as the most sophisticated financial investors in the United States could be so thoroughly fooled by a guy in cargo shorts.

DENNIS KELLEHER

on Sam Bankman-Fried in this LA Times Article

Stay Informed

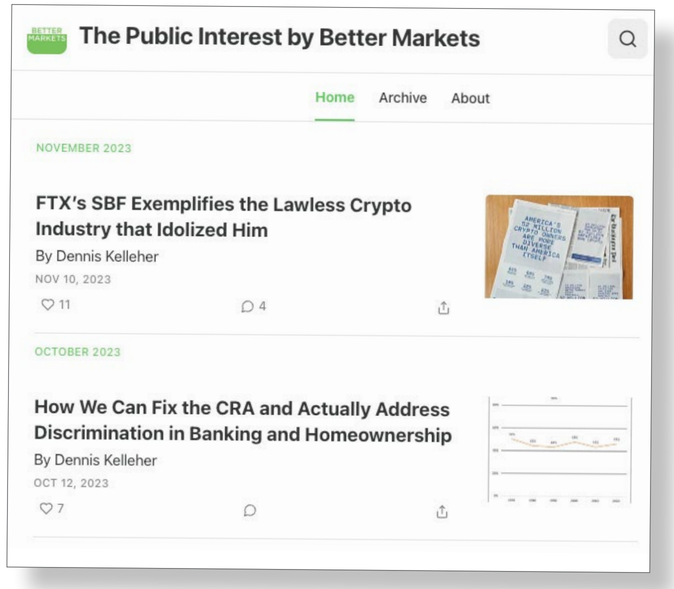
Keep Up to Date on Our Latest Work

Newsletter — "The Better Markets Beat"

In 2023 our newsletter "The Better Markets Beat" continued to provide important updates on our work and developments that impact the livelihoods of millions of Americans.

> Subscribe To Our Newsletter

Substack — "The Public Interest"



In 2023 Better Markets launched a substack called the "Public Interest" to shed light on issues most meaningful to the lives of Main Street families, workers, investors, and financial consumers as well as to financial stability. The platform provides an opportunity for our experts to examine key topics that are often overlooked by the media.

> Subscribe To Our Substack

Follow us on Social

Better Markets has active accounts on X, Facebook, YouTube, LinkedIn, and Threads

Metrics across all five accounts:

Posts: **1,701**

Impressions: **2,143,024**

Engagement rate: **3.14%**

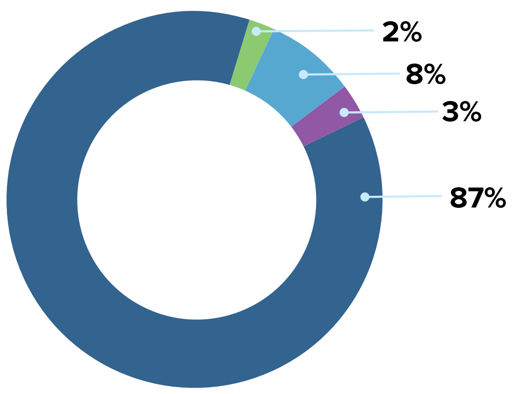
Followers: **31,334**

Website: **BetterMarkets.org**

Total visitors: **112,000**

Pageviews: **220,000**

Financials

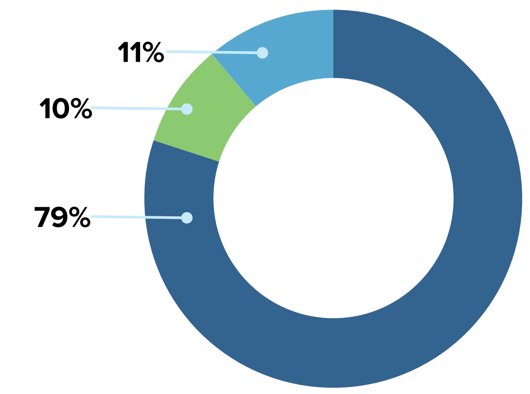


Income

Institutional Foundations	$	300,000
Corporate	$	100,000
Individuals and Family Foundations	$	3,209,984
Other (Interest & Misc.)	$	70,209
TOTAL	**$**	**3,680,193**

Expenses

Program Services	$	3,084,568
General and Administrative	$	398,612
Fundraising	$	423,171
TOTAL	**$**	**3,906,351**

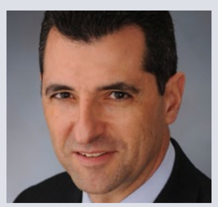


Board of Directors and Better Markets Staff

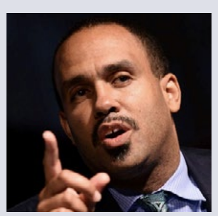
Board of Directors

MICHAEL MASTERS
Co-Founder & Chairman of Better Markets

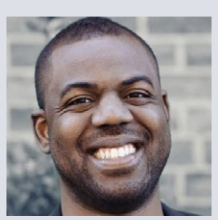
DENNIS KELLEHER
Co-Founder, President & CEO of Better Markets



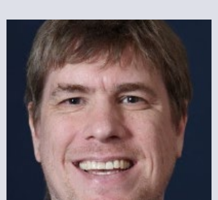
JOE SALUZZI
Treasurer of Better Markets, Partner, Co-founder and Co-head of Equity Trading of Themis Trading LLC



DEDRICK ASANTE-MUHAMAD
Secretary of Better Markets; President of Joint Center



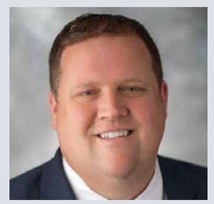
DONNEL BAIRD
CEO and Founder of BlockPower



DAVID DESJARDINS
Philanthropist, Mathematician and Software Engineer

Staff

MARYAN ABDELMESIH
Director of Strategic Partnerships & Development



ANTON BECKER
Director of Communications

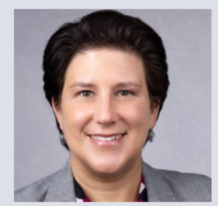
ANDRES CHOVIL
Research and Program Associate

TIM CLARK
Distinguished Senior Banking Adviser

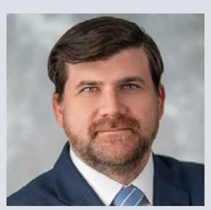
CANTRELL DUMAS
Director of Derivatives Policy

STEVE HALL
Legal Director & Securities Specialist

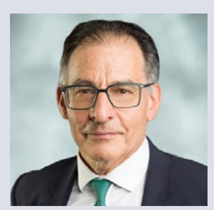
TRAVIS HORR
Director of External Affairs



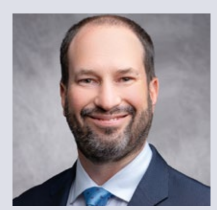
SHAYNA OLESIUK
Director of Banking Policy



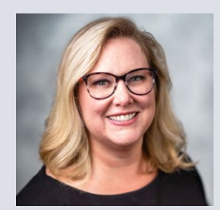
SCOTT FARNIN
Legal Counsel



PETER RAPPOPORT
SENIOR FELLOW

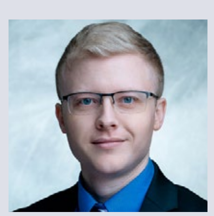


BEN SCHIFFRIN
Director of Securities Policy

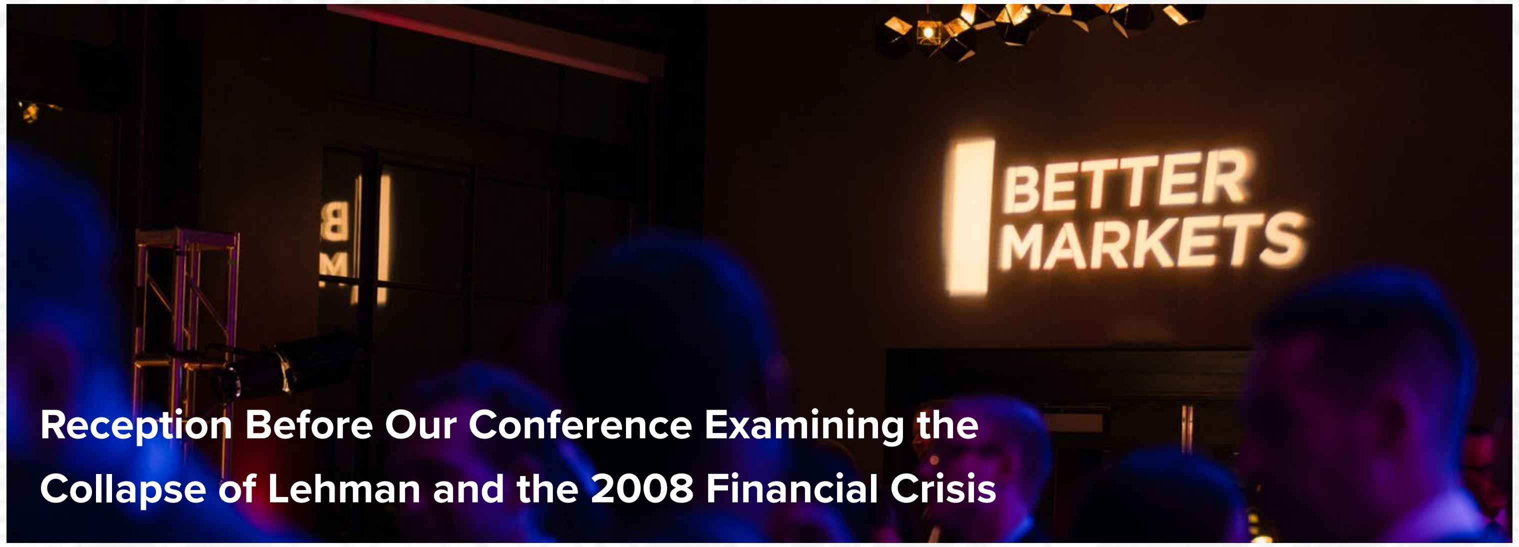


NATALIE SHOTTS
Director of Administration & Human Resources

MADELINE TUCKER
Press Secretary



BRADY WILLIAMS
Legal Counsel



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