Title: ■■■ Euroapes! Official ESMA Complaint Until 09.09.2023! Your action is needed now! ■■■
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The European Central Bank ECB and European Securities and Market Authority ESMA plan to postpone again important settlement discipline rules with fines for failure to deliver and mandatory buy-ins for market makers and brokers. I wrote a complaint letter to representatives of the ECB, EC and ESMA to express my complaints. Its essential that as many apes as possible from Europe also express their concerns and increase the pressure to bring the Regulation Standards of Settlement Discipline 909/2014 finally into effect! We wait for 8 !!! years now. Here is my letter and the addresses of the representatives.
Please feel free to use it!

To: Verena Ross, Chair ESMA via response formular:
[ESMA CHAIR Verena Ross](https://www.esma.europa.eu/press-news/consultations/consultation-paper-amendment-article-19-csdr-rts-settlement-discipline?s=03)

To:
Mairead McGuinness, Commissioner Financial services, financial stability and Capital Markets Union
Email: CAB-MCGUINNESS-CONTACT(ät)ec.europa.eu

To:
Irene Tinagli, MEP, Chair of the Committee on Economic and Monetary Affairs, European Parliament
Email: irene.tinagli(ät)europarl.europa.eu

To:
Andrej Šircelj, President of the ECOFIN Council, Council of the European Union
[ECOFIN President Sircelj](https://www.consilium.europa.eu/de/contact/general-enquiries/send-message/)

To:
Didier Seeuws, Acting Secretary-General of the Council of the European Union
[Komm. Generalsekretär des Rates der EU](https://www.consilium.europa.eu/de/contact/general-enquiries/send-message/)

To:
John Berrigan, Director-General, DG Financial Stability, Financial Services and Capital Marktes Union
John.berrigan(ät)ec.europa.eu

I want to express my deep concerns about ongoing attempts of the ECB and the ESMA to subvert and override the regulations of the European Commission, especially on the mandatory buy-in-rule in the Central Securities Depositories Regulation 909/2014.

We have a huge problem with a rising number of failures-to-deliver of shares in the stock markets. Failures-to-deliver result from an insufficient settlement discipline, in which sellers of shares (market makers and broker-dealers) are not forced to buy shares before or immediately after they sold them at the stock market. The lack of efficient settlement rules exposes markets and investors, especially retail investors to a highly asymmetric unfair risk and is a main risk factor for extreme faults in the stock markets.

Because of the disastrous aftereffects of the fincancial crisis 2008 the European Commission has issued Regulation Standards on Settlement Discipline in 2014 (https://eur-lex.europa.eu/legal-content/DE/TXT/HTML/?uri=CELEX:02014R0909-20220622&from;=EN). The European Commission has repeatedly stressed the importance of the mandatory buy-in-rule as a basic part of the settlement discipline (https://ec.europa.eu/finance/docs/law/220316-csdr-review-proposal_en.pdf).

However, until now key elements of this regulation including penalties for market participants who fail-to-deliver shares, margin calls and mandatory buy-in rules are still not in effect, have been postponed and are planned to be postponed again for an undefined time period by the ECB (https://www.ecb.europa.eu/pub/pdf/other/en_con_2022_25_f_sign~5d1a092f24.en.pdf).

Even the European Securities and Markets Authority (ESMA) votes for a delay of the mandatory buy-in rule to come into effect for an undefined period (https://www.esma.europa.eu/sites/default/files/library/esma70-156-4963_letter_-_esma_to_ec_on_csdr_settlement_discipline.pdf).

This is unacceptable.

Why are settlement regulations and especially mandatory buy-in-rules so important for us retail investors?

The foundation of our economy are transparent and fair markets which follow the supply and demand rule. Settlement failures violate the supply-demand balance. Market makers have the right to generate temporary synthetic shares and to sell them like normal shares under the premise to go to the market and to buy back the same amount of real shares and replace the synthetic shares sold before within the settlement period. This is an outstanding important basic rule to secure the integrity of our markets.

If this market maker obligation is consistently violated, market makers increase the number of tradeable shares (real shares + self made synthetic shares), dilute hereby the number of tradeable shares and cause a supply-demand imbalance. Failure-to-deliver leads to massive price suppression and destroys the value of the corresponding investments.

There is a large number of settlement failures or failures-to-deliver in the EU, as in many stock markets around the world. This means especially retail shareholders, who put money in the markets and buy shares of a company, buy in fact shares that are often not delivered! We retail investors are not able to recognize this, since there is no visible difference between real shares and synthetic ones in our investment portfolios.

Due to the creation of synthetic shares by market makers, shares exist multiple times, at least twice during the settlement period. In fact billions of such synthetic, not yet delivered shares circulate in the stock markets. Without the settlement rules passed by the European Commission this status can last for an undefined period! (https://doi.org/10.1093/rfs/hhm083 and https://doi.org/10.1016/j.finmar.2005.11.001)

If market makers have the right to sell synthetic shares to provide liquidity and are never forced to buy them back at the markets - this is in fact illegal naked shorting of stocks and puts an incalculable high risk to the transparancy and stability of the stock markets and exposes first and foremost us retail investors to an asymmetric risk, namely the devaluation of our investments. This is highly unfair. When we buy shares at stock markets we trust in broker-dealers to get real shares and not synthetic ones.

By postponing the Settlement rules again and again and again I see a huge threat to my rights as a shareholder and a consecutive depreciation of my investments and I will not accept this!

It is first and foremost up to the ESMA, the ECB and the European Commission to protect my rights as a retail shareholder now!

1.) I want the Regulation Standards of Settlement Disciplines from 2014 to fully come into effect immediatly without any further delay and exceptions!

2.) Namely I want an immediate stop of penalty exceptions for market participants who failure-to-deliver and margin calls!

3.) I want mandatory buy-ins and we want it now!

I'm awaiting your response asap.

Yours sincerely
Your apes name and the address of tree where you sleep

This is extremely important for a better settlement of our beloved GME shares!