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May 5, 2022

Jennifer Piorko Mitchell
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506

E-mail: pubcom@finra.org

Re: FINRA Regulatory Notice 22-08

Dear Ms. Mitchell:

Thank you for the opportunity to publicly comment on FINRA Regulatory Notice 22-08.

Teucrium Trading LLC (“Teucrium”), a Sponsor and provider of ETP futures based products, is concerned that FINRA 22-08 signals a change in the methodology and application of well-established regulatory oversight and investor protections that currently operate within the time-tested disclosure based system. This existing regime has developed and evolved over the course of many decades to protect investors while simultaneously allowing for the innovation and development of new financial products. Investors have been well served, and new products have been effectively developed to accommodate both changes in financial markets as well as evolving investor needs.

Teucrium is keenly aware of the many protections afforded investors via the extensive disclosure documents currently produced by issuers. These documents are made widely available by financial product issuers themselves, broker dealers, and other third-party disseminators. Disclosure documents are intensely scrutinized by a variety of regulators to ensure completeness, accuracy, and clarity about the financial products they cover so that investors have the information needed to make informed investment decisions.

The questions and observations posed in FINRA 22-08 seem to suggest that FINRA wishes to shift from the current well-functioning and proven effective disclosure based investor information process to a firewall based, restrictive environment in which investors will be limited by subjective qualifiers placed upon them by broker dealers forcibly turned into gatekeepers via additional regulatory oversight under the auspices of protecting investors from “complex products.”

If the concepts in 22-08 were to be implemented, FINRA would be emulating the structure of the very products it wants to classify as “complex” by extending its oversight authority to investors through the imposition on FINRA members of a complicated, difficult to quantify, and even more difficult to implement, body of regulations. Quite simply, the Financial Industry Regulatory Authority, aka “FINRA” would go beyond its current role of regulating the *industry* to that of regulating the *investor*, which would be a clear and unmerited deviation of its stated purpose. Regulatory overreach of this sort will restrict investor access to an enormous segment of financial products, which in turn is sure to limit capital flows, market liquidity, and the necessary innovation required to keep US markets, and indeed the overall US economy healthy, competitive, and well-functioning.

FINRA 22-08 seeks to fix problems that do not exist; the current disclosure based oversight environment allows investors to make informed decisions while also enabling financial product providers to create innovative new structures in an ever changing financial landscape. Disturbingly, FINRA seems to primarily equate the popularity and growth of certain new financial products with elevated risk and investor ignorance, rather than as the beneficial evolution of a financial ecosphere within which investors are perfectly capable of self-directing their own investments.

22-08 is conceptually flawed in that it treats self-directed investors as largely ignorant, and the financial industry itself as a bureaucracy capable of effectively bearing massive, mandated expansion for little obvious purpose or benefit. Neither assumption is reflective of current reality.

Teucrium very much appreciates the opportunity to have its comments heard and welcomes you to reach out to us at 802-540-0019 or at sal.gilbertie@teucrium.com.

Respectfully,

A handwritten signature in black ink, appearing to read 'Sal Gilbertie', with a horizontal line extending from the end of the signature.

Sal Gilbertie

CEO, Teucrium Trading, LLC