

MEMORANDUM

TO: File No. 4-627

FROM: Lillian Hagen
Division of Risk, Strategy and Financial Innovation

DATE: October 26, 2011

RE: Meeting with Long Investors Regarding Dodd-Frank Section 417(a)(2)
Short Sale Study

On January 31, 2011, Amy Edwards, Bruce Kraus, Sandra Mortal, Gopa Biswas, Chuck Dale, Walter Hamscher, Jonathan Greenstein, Rick Bookstaber, Laura Magyar, Eric Peterson, Christian Sabella and Angela Moudy from the SEC met with Dan Geatens from Delaware Value; Ari Burstein and Heather Traeger from Investment Company Institute; Kevin Cronin from Invesco; Charles Rodblut from American Association of Individual Investors; Thomas Mistele from Dodge and Cox; Sara Andres, Ovidio Montemayor, Caroline Langner, John Markle, Christopher Nagy, Michael Chochon and Michael Goltl from TD Ameritrade.

The participants discussed retail/long investors' views on short selling and currently available short sale data. They also discussed how the study's short position reporting and the pilot for transaction marking could benefit long only investors and how it could harm them.