

Ladies and Gentlemen of the Security and Exchange Commission of the United States of America:

re: On2 tech.---for a clear, actionable picture of careful coordination of paid bashing with short attacks on a stock price, you have, today. a perfect example with On2 tech.--symbol, ont. Go to Yahoo message board for Ont and Level II at Ameritrade to see a typical manipulation of stock price, down, accompanied by relentless splurge of negative comments on the message board by new identities and some old. One new one, probably a new alias for a regular basher as they change as soon as they have been put on Ignore by many investors on the board---I counted 29 posts by "chico-matic" , all designed to scare investors, all without any basis in fact, all innuendo, a Greek Chorus of shrieking voices full of predictions of disaster and bottom falling out of price, while traders for whom the bashers are running interference are driving the stock price down without the help of any actual investors who are forced to sit on the sidelines during these attacks.

The occasion?? For the first time in memory, Ont has announced a quarterly report and conference call, two weeks earlier than usual, sparking hope among investors that this may be the good news we have been waiting for---in the context of several months of positive developments for the company and news of deeper and more pervasive penetration of the markets for its products. This is the kind of scenario which always results in an explosive short attack intended to defuse the normal upswing in buying at the ASK and raising the stockprice. This is an exaggerated version of what happens every day with this stock. The result is that investors stay out of the action, (which gives the LIE to the short proponents claim that short sales promote liquidity), and only the shorts and market makers are responsible for all the negative action you and we see. It is preposterous that anyone, in a position to see this, is unable to do so and pursue the identities of the guilty parties which we ordinary investors are not enabled to do because of the secretive policies of the market controllers and regulators. That this is Grand Larceny, countenanced and enabled by our own government, which goes beyond the Pale of any measure of reasonable behavior that one could apply , is beyond doubt. As I have stated many times before, without any response from any of you, no governmental agency has ever controlled the misdeeds of short sellers and none ever will, especially now that well financed entities with little to lose and a whole lot to gain can simultaneously, buy and sell, from and to, themselves and their confederates, without any limit on numbers of shares required to do so and now, in a computerized market. The electronic market is a vehicle of destruction to the ordinary investor who cannot move fast enough to counter the lightening fast attacks of the predators and apparently you cannot detect them or follow their spoor to their hiding places. If this preferential practice is allowed to continue, then the stock market should be closed to ordinary investors who simply cannot compete on this field. Why you continue to have hearings which will be virtually controlled by the short selling interests, since most ordinary investors do not know about them and cannot muster the necessary firepower to get an equal voice, is beyond me. There is no contest here---the short sellers, including market makers and specialists, and any others who can naked short, can outgun us, like the pirates in the Gulf of Aden versus the legitimate forces gathered to combat them but with their hands tied behind their backs because they must abide by the law, while the pirates do not.

THERE IS REALLY ONLY ONE HONEST SOLUTION----ADOPTION OF A SIMPLE RULE---THE ONLY SHARES OF STOCK THAT MAY BE TRADED ON ANY STOCK EXCHANGE, ARE THOSE ISSUED BY A STOCK COMPANY, AND WHICH ARE LEGALLY OWNED BY AN ENTITY THAT OFFERS THEM FOR SALE AND CAN DELIVER THEM TO THE BUYER SIMULTANEOUSLY WITH RECEIPT OF PAYMENT. No "promises to deliver" or "facsimile shares", appearing in the same garb as real shares, may be allowed to stand in the place of actual shares just as no promissary notes can take the place of actual payment in full at the time of transaction. This rule shall supercede and render null and void any prior existing rules and regulations or laws which might permit exceptions to this rule. This rule will come fully effective upon adoption; violations of the letter or spirit of this rule shall be punished by revocation of the right of violators to trade stocks on the stock markets provided under the laws of the USA.

P.S. A copy of the above will be sent to my Representative, my Senator, The House Financial Services Committee, the Senate Banking Committee and will be posted on message boards for ON2 Technology investors and to other interested parties.

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