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INVESTOR INFORMATION

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I read that the SEC has been encouraged to not reinstitute the 'Up-Tick Rule' and that there will now be a review period to determine if anything is to be done at all about Short Selling.

There has been much news lately about unethical individuals taking unfair advantage of their clients. I can tell you from personal experience that when you mention to most individuals that Stock Market rules allow someone to sell stock they don't own after supposedly borrowing it from someone else, they think you are joking. After further explaining to them that the Market also allows someone to sell stock that not even the person that they are supposedly borrowing it from owns, they see dishonesty and that the stock market is not for them. I can think of no other example where people are purposefully allowed to sell something that they do not personally own. In fact I think if they do it is considered a crime.

If this is how 'financial professionals', 'academic experts' and FIRA members want the Stock Market to be viewed then I can see why they would do nothing. However if their goal is to encourage all individuals to have confidence that the Market is an honest 'arms length' arena in which to invest then changes must be made.

In my view Short Selling does not help the market to 'operate efficiently'. It allows a few to take advantage of the majority, plain and simple.

I believe the 'Up-Tick rule' should be reinstated in addition to the following considerations.

(1) There must be a true transfer of ownership of shares BEFORE the sale is executed and a bona fide accounting of that transfer must be monitored. Violators would be prevented from further Short Selling and fined.

(2) Intraday sale volumes must be broken down into two parts; Actual Owned share versus Short Sale transactions. This would show everyone the type of sale volumes a stock is experiencing.

(3) The 'Buy To Cover' transaction must be initiated within 3 business days of the Short Sale.

(4) Naked Short Selling should not be permitted.

As a personal investor for almost 40 years and day trader for 5 years, I believe this committee must consider the public's confidence in the market and their willingness to invest. Short Selling erodes this confidence, especially in today's world where so many have 401k and pension accounts invested in the market. And, regardless of opinions to the contrary, I saw daily the advantage provided by the temporary Short Selling moratorium on financial stocks last year.

The committee's findings and actions should not be influenced by Hedge Funds and the like.

Thank you for providing this means to express my opinion.